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Public Administration and Constitutional Affairs Committee Civil Service Effectiveness Inquiry

IS GOVERNMENT FIT FOR PURPOSE?

The Kakabadse Report

My deepest thanks

This inquiry would not have been possible without the sincere contribution and effort of a number of individuals and teams.

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Of course, all errors, misunderstandings and misjudgements are my own.

Summary of findings

The central finding of this inquiry is that the ‘chemistry’ between the Secretary of State and Permanent Secretary powerfully determines the effectiveness of policy delivery.

Paralleling the investigation pursued by the Public Administration and Constitutional Affairs Committee (PACAC), the Secretary of State/Permanent Secretary relationship emerges as one of inbuilt tension between the urgency to deliver on key political imperatives versus the civil servant’s realistic assessment of the landscape of misaligned interests potentially undermining the realisation of the Secretary of State’s goals. The Secretary of State/Permanent Secretary relationship is a critical ‘fracture point’ whereby between 10% and 53% of such interactions have a dysfunctionality that could damage not only the relationship but also derail policy delivery. In comparison, government emerges in a more favourable position than the broadly equivalent private sector relationship between chair and chief executive officer (CEO). Insufficient attention is given to better understanding and thus enhancing the quality of relationship, the ‘chemistry factor’ between the Secretary of State and Permanent Secretary.

Civil servants and particularly Permanent Secretaries are identified by ministers, colleagues, departmental board members and private sector executives as thoughtful, resilient, guided by the deeply held values of the Civil Service and well able to work through stretching complexities. Secretaries of State are considered by civil servants and senior private sector executives as highly capable, driven by a strong sense of public service and determined to meet the commitments they and the government have made to the electorate and Parliament. Yet, the Secretary of State and Permanent Secretary, both capable and deeply committed to representative democracy can behave in a distinctly inefficient manner.

The reasons partly reflect legacy and expectations but also the expected role, contribution and behaviour of special political advisers (SpAds) and departmental boards. The more thoughtful and facilitative SpAds are considered invaluable, providing a bridging function between Permanent Secretary (and Civil Service team) and the Secretary of State. Messages critical to effective policy delivery are facilitated by the SpAd to the Secretary of State (and vice versa),

in order to enable positive engagement with the challenges being faced. Evidence also indicates that SpAds who singularly pursue the Secretary of State's interests in an assertive or aggressive manner do so to the detriment of policy delivery effectiveness.

Departmental boards as collective governance bodies are identified as delivering less value than, say their private sector equivalents, although individual non-executive directors (NEDs) are highly rated for their wisdom and support of the Permanent Secretary, department and Secretary of State. Boards are downrated because of the poor chairmanship of the Secretary of State. The request from numerous sources is to have independent chairs in order to improve the governance oversight of the department and policy delivery process. Thus, the Secretary of State becomes the chair of chairs, vetting and directing the contribution of Permanent Secretary and department, departmental board and SpAds. With the 'chemistry factor' largely left to the idiosyncrasies of individuals, streamlining the relationships between Permanent Secretary, SpAds, department and departmental boards strengthens the Secretary of State. For this reason, a better understanding of the role and contribution of the Cabinet Secretary to facilitate key relationships in government is considered important.

Further findings relate to speeding up the transition experience of newly appointed Secretaries of State and Permanent Secretaries. Both can better appreciate each other more quickly and reach a realistic view of the strengths and weaknesses of the department and any relationship tensions that can be dealt with at an early stage.

No evidence emerges that civil servants undermine or thwart their minister or derail the Brexit negotiations. In fact, civil servants emerge as dedicated to the Civil Service and their role in serving the public, leading naturally for a positive and productive relationship with their Secretary of State. In so doing, the resilience of the civil servants is displayed by the great lengths they go to defend and support their minister.

The report surfaces concern over the Civil Service structure, programme prioritisation, length of tenure of key experts on projects, the nature of relationships of arm's length bodies with government as well as considerations for the future of outsourcing. Attention is also given to the future shape and nature of leadership development of civil servants.

The report concludes by offering 12 recommendations, comprising 18 action points for improvement, particularly emphasising how to strengthen the Secretary of State.

Is government fit for purpose?

Background

Under the chairmanship of Bernard Jenkin, the Public Administration and Constitutional Affairs Committee (PACAC) undertook an investigation into the functioning of the Civil Service and invited me to pursue a parallel study. This followed my view that the normal Parliamentary procedure of inviting witnesses to give evidence in open session to the Committee would not encourage in-depth expression of the reality of how the Civil Service operates.

Hence, I recommended that confidential interviews be carried out with Secretaries of State, junior ministers, special political advisers (SpAds), Permanent Secretaries, directors general (DGs) and other civil servants, non-executive directors (NEDs) on departmental boards, chairmen/CEOs of arm's length bodies, outsourcing contractors, and coaches and facilitators of civil servants. A total of 81 interviews were conducted. In transcribing these interviews within this report, the use of gendered pronouns has been amended to ensure confidentiality of all parties involved.

Bernard Jenkin, Sir Jeremy Heywood and John Manzoni gave their support and permission for this study to proceed.

Additionally, I invited comments on the tentative findings from civil servants and other interested parties. Two feedback sessions were held with the Cabinet Secretary, Sir Jeremy Heywood; CEO of the Civil Service, John Manzoni; and Chief People Officer, Rupert McNeil. Furthermore, two separate sets of comments were offered by Rupert McNeil and his team. One further meeting was held with Sir Ian Cheshire, Lead Independent Director. The emergent findings from the study were also presented to the Wednesday Morning Colleagues (WMC) meeting of Permanent Secretaries. It is noted that Sir Jeremy Heywood, John Manzoni and Rupert McNeil offered their perspective on the final draft of this report. The views expressed and comments offered at these feedback sessions have been incorporated into this report.

The original guiding question was: Is the Civil Service fit for purpose?

However, I recognised early on that the original guiding question was too restrictive and would not provide satisfactory insight into the mindset and behaviour of civil servants and their contribution to the functioning of government. Evident was the positive and negative effect of the ‘chemistry’ between the Secretary of State and Permanent Secretary. This relationship becomes the central theme of this report. Also highlighted is the attentiveness of the Cabinet Secretary, Sir Jeremy Heywood, in facilitating a positive ‘chemistry’ between the Secretary of State and Permanent Secretary. These and other factors, particularly the reality of the ministers’ contribution to policy delivery, significantly shaped civil servant attitudes and actions and needed to be taken into account in this inquiry. Thus, the guiding question was broadened to: **Is government fit for purpose?**

This study is independent of all interests concerning government and is independently funded. The data gathered constitutes part of my ongoing academic research, with the full agreement of Bernard Jenkin, Sir Jeremy Heywood and John Manzoni.

Where appropriate, I have included my own observations based on more than 30 years of research into organisational behaviour and leadership. These comments are in the first person and represent my views as the author. With this in mind, comparison is made with private and third sector organisations and governments. I have pursued studies and undertaken consulting-type interventions internationally, culminating in my having a database of over 19,000 organisations, spanning 34 countries, detailing top team, board and general management behaviour and leadership qualities. I believe that one of the reasons I was invited to pursue this inquiry into the functioning of government is because I could offer benchmarks highlighting the nature of normality in terms of policy/strategy delivery, leadership behaviours and attributes and why people, systems and structures derail or realise success. In so saying, I acknowledge the limitations to comparisons and benchmarking when dealing with an intricately complex system as government.

The findings underpinning this report are structured into 11 sections:

1. Civil servants
2. Ministers
3. Transition
4. Civil Service structure

5. Special political advisers
6. Departmental boards
7. Arm's length bodies
8. Project tenure and expertise
9. Prioritisation
10. Outsourcing
11. Coaching

Based on these findings, 12 recommendations are made:

- A. Respecting the chemistry factor
- B. Getting to know the minister: Reducing the three-month transition time
- C. Truth to power
- D. Independent board chairs
- E. Strengthening the Secretary of State
- F. Role and contribution of the Cabinet Secretary
- G. Project tenure
- H. Prioritisation
- I. Special political advisers: The bridge to the minister
- J. Statement from the Prime Minister
- K. Leadership development
- L. Future studies

1. Civil servants

From the broad range of opinion gathered, it is clear that civil servants are considered by those who work with them (ministers included) to be professional, intellectually sharp and distinctly capable of working through complexity. They are portrayed as thoughtful, intelligent, highly experienced and able to handle stretching challenges. They are seen as particularly insightful in terms of their ability to facilitate policy delivery through drawing on relevant evidence and effectively navigating a way through considerable misalignments of stakeholder interests.

Comments included:

“...the Civil Service will obviously seek to gather together and present the very best possible evidence that it can, based on the best possible expert advice it can. It’s never going to be perfect, and the difficulty with complex decisions is often that people will not know the answer and the reality is that a lot of these things do involve judgement and best estimate of likely outcome.” – Director General

Such capabilities are recognised by the Secretary of State.

“I thought they were very impressive people; we’d had a booming market economy for 30 years and pay of public servants had lagged way behind that of the private sector. The fact that the Civil Service continued to be able to attract people of such high calibre is very gratifying. I was very, very favourably impressed. I genuinely think we were very lucky to have them.” – Secretary of State

1.1. Civil Service culture

The culture of the Civil Service is described as supportive, quite open and collaborative.

“Since I joined the Civil Service, I tend to find that people are very easy to reach out to and request help from.” – Grade 7

“There’s this funny, very old-fashioned institution called Wednesday Morning Colleagues. So, all the Permanent Secretaries meet on a Wednesday and you think gosh that’s ridiculous. That sounds so antique, but in a funny way it helps create a sense of common purpose, which wouldn’t otherwise exist...” – Permanent Secretary

Respondents also noted the ‘risk averse’, ‘overly polite’ and ‘indirect’ nature of many civil servants.

“It is unbelievably polite as a culture. It’s a very nice environment in which to work but in which excessive directness is considered a bit aggressive, those are very deeply ingrained cultural things.” – Director General

“I have heard a lot of ministers make remarks about the Civil Service being slow or being obstructive. I do think some of it is the fault of the Civil Service. My colleagues are very bright and very committed, but they’re not very direct.” – Director General

In parallel to taking pride in and having a strong commitment to their work, civil servants also described a ‘sadness’ at being an ‘easy target’ unable to ‘defend themselves’, sometimes from those they serve. At times they also felt unprotected by those they serve. An emerging theme is of civil servants feeling ‘undervalued’ and ‘underappreciated’, which has a negative impact on morale.

Linked to the issue of morale, some civil servants believe they are not being provided with sufficient feedback. A commonly raised concern was ‘not knowing’ whether individuals are meeting objectives, not receiving adequate appraisal and not being ‘pushed’ for promotion. Many respondents expressed a desire for more feedback. Civil servants consider themselves people who want to please and meet the objectives of the Secretary of State and junior ministers. The decline in morale was in part due to a perceived lack of feedback but also due to a lack of praise. The considered view is that the work and contribution of the civil servants is underappreciated.

“...we’ve got all these bright people in the Civil Service and what would make their lives better would be saying ‘look you’ve done brilliantly and I know there’s a job coming and I think you should go for it.’” – Junior Minister

“There is a definite morale problem. Some of it comes actually not just from pay; it comes from feeling undervalued. The messages around what it means to be a civil servant, the importance to the economy, that civil servants are problem solvers, crisis resolvers, purveyors of critical infrastructure. You don’t hear government ministers saying that enough.” – Permanent Secretary

The former Minister for the Cabinet Office and Paymaster General, now Lord Francis Maude, is identified as the most vocal of critics drawing attention to the conservative nature of the Civil Service. It is reported that Lord Maude’s public criticism of the Civil Service encouraged unwarranted negative comment from certain junior and senior politicians.

1.2. Permanent Secretary

The role and influence of the Permanent Secretary was given particular attention in the interviews. In terms of policy delivery, the Permanent Secretary is viewed by ministers, civil servants and private sector executives as the person who has the most penetrating, realistic and well thought through insights into the pathway to pursue in order to implement the Secretary of State's goals and objectives.

One Permanent Secretary described the role as to:

“Provide support and advice and explain what the choices are... I've got to be a translator: I've got to have [the minister's] confidence so that I can give advice confidently, and I've got to be able to translate their views in ways that are going to be understood by the Department.” – Permanent Secretary

Another described it in this way:

“The department's job is to support the government of the day and the Secretary of State of the day to deliver his or her objectives, it's as simple as that. But there are moments, when only the Permanent Secretary can say, I'm sorry, but this won't do.” – Permanent Secretary

Overall, the Permanent Secretary is viewed as the best policy adviser for the minister.

Further aspects of the role that were identified concerned: management and leadership; quality assurance; being the accountable officer and fulfilling ambassadorial duties.

“There are four elements. First of all, you have to manage the organisation, which is primarily about leading people. Second, policy development, and you can't develop all the policies yourself but you can provide a framework for doing that, and provide an assurance about the quality at which that is done. Third, you're the accounting officer, which means that everything that goes wrong is your fault. You have to be responsible for all the money decisions and the correctness and propriety. And fourth, you have to be an external representative of the department, an ambassador to the

world... I try to divide my time equally between those four quadrants.” – Permanent Secretary

“Personal accountability shines through every aspect of this job and that’s what makes it exciting and terrifying in parts. So, it’s leadership and crisis management, and personal relationship with the Secretary of State, all those things.” – Permanent Secretary

To some Permanent Secretaries, the leadership role is key.

“External representation is an incredibly important part of the role and you’re there to lead the department, to keep staff morale up, make sure everyone knows what they’re doing.” – Permanent Secretary

Other Permanent Secretaries emphasised the criticality of exercising discretion in terms of policy making and delivery, to enable the government to realise its objectives.

“I’ve never believed that the Civil Service is simply about sitting there waiting to be instructed by politicians; it’s a much, much more intuitive process. It’s our job not just to wait and hear what the government wants to do, but to be able to shape the priorities of that government in a way that optimises the chance that the government will be successful in delivering its goals on behalf of the people who’ve elected it.” – Permanent Secretary

The point emphasised throughout the interviews was that the Permanent Secretary is central to ensuring that the values of the Civil Service shape the mindset and contribution of civil servants.

“In the end, the whole organisation looks to the Permanent Secretary to set standards, a tone, a set of values and beliefs as to how government should be done.” – Permanent Secretary

1.3. Permanent Secretary skills

The interviewees outlined the range of skills required to perform effectively in the role of Permanent Secretary.

1.3.1. Deliberation

Deliberation, the ability to provide careful consideration and critical thinking, was identified as central to the role. Sometimes equated with IQ, this was variously described as bringing an evidence-driven, logical and systematic approach to analysing circumstances, all in order to enhance the position and more effectively pursue the goals of the Secretary of State. Those Permanent Secretaries who developed positive relationships with successive Secretaries of State emphasised the high levels of attention given to understanding ‘how to get onto the Secretary of State’s wavelength’.

“It’s not just listening in the meetings, it’s watching the broadcasts and reading the print. I’ve shifted from buying the Guardian to the Telegraph because I wanted to know what was going on in the minister’s context, and the way in which people (including the minister) were thinking. There was no point in me reading the Guardian because it had all the wrong language in it. Even though I quite enjoyed reading the Guardian, I needed to read the Telegraph to understand.” – Permanent Secretary

Thinking through the challenges facing the Secretary of State and drawing on evidence are the critical elements in putting forward the compelling argument that clarifies how to work through challenges.

“It’s hardly complexity. It’s almost logic, reasoning, problem solving, judgement, but most of all drawing on evidence and analysis.” – Permanent Secretary

Having appreciated the surrounding circumstances, Permanent Secretaries and DGs highlighted the parameters in terms of ‘getting on the Secretary of State’s wavelength’. Two elements were identified here:

- Confidence: Does the Secretary of State seem to be confident as a person or not?

- Logic: Does the Secretary of State analyse circumstances in a logical, systematic manner, drawing on evidence? Or is this person more sensitive to their surrounding circumstances and context, relying more on their sensitivities?

Numerous interviewees talked about the amount of thought that went into finding the best way to engage with the Secretary of State and other ministers to build a relationship of trust and understanding. Those Permanent Secretaries considered influential by ministers, colleagues and subordinates were seen to draw more on their analytical thinking (IQ) than their emotional intelligence (EQ).

Those Secretaries of State viewed as confident, rationalist and evidence driven were more favoured by the civil servants. These same Secretaries of States were reported as inviting comment and challenge, and of having a track record of sustained professional relationships. The most ‘difficult’ Secretaries of State were those seen to lack self-confidence, and as being overly sensitive to their surrounding circumstances. They were viewed as less likely to accept personal responsibility for decisions, especially when under pressure, and more likely to blame others, particularly the Permanent Secretary.

1.3.2. Investing in relationships

The Permanent Secretaries that display a track record of productive and sustained relationships with Secretaries of State report that they give priority to developing meaningful relationships and only then attend to other matters.

“It requires a willingness to invest in relationships, particularly with ministers... it’s about the relationships with ministers, the relationships with my team and the overall context. If you really invest heavily and upfront in that relationship (with the Secretary of State), and you do the things that you need to do, at the same time you make sure they’re consistent with what it means to be a Permanent Secretary, then you are fulfilling the role.” – Permanent Secretary

The capacity and desire of civil servants to put themselves into ‘the shoes of their minister’ was another strong theme emerging from the interviews. Senior civil servants emphasised the importance of being empathetic and understanding of the minister’s context and concerns.

“You need, as Perm Sec, to recognise that every single person who sits in that chair as Secretary of State is different – different in their psychological makeup, different in their ways of working, different in their hopes and fears. They are also human beings.” – Permanent Secretary

Understanding the Secretary of State is primary to supporting the minister.

“Ministers are democratically elected. They have a right to be able to set direction; that’s what Parliament charges them to do and my response as a civil servant is to be able to deliver ministerial policy.” – Permanent Secretary

Respect for the minister was strongly emphasised by civil servants of different ranks. The task of the civil servants was repeatedly described as providing total support to the Secretary of State, first and foremost.

“The vast majority of ministers I worked for, irrespective of party, were conscientious, hardworking, honest, seeking to do their best, seeking to leave the department better than they found it. Many of them were truly exceptional, and first class.” – Permanent Secretary

“You think about what a Secretary of State in particular has to do, it is a horrendous job. They’re often in charge of a policy portfolio that is enormous. It’s quite likely they don’t know very much about it and not experienced in it, particularly after a reshuffle; so, they’ve got massive responsibility there. And they’ve got the media watching absolutely everything they do the whole time... and underneath it, they’re people as well.” – Permanent Secretary

However, a strongly expressed view was that similar respect for the civil servant is not forthcoming from certain ministers. Comments that civil servants are too conservative,

blocking ministerial initiatives and not supporting the minister were repeatedly reported in interview.

Certain civil servants consider that the traditional strength of the relationship between Secretary of State and Permanent Secretary was undermined when responsibility for longer-term policy development was taken away from individual departments and placed within the Cabinet Office (i.e. centralised). Thus, departments became more vehicles of policy execution and delivery. Interviewees indicated that the change of relationship became more evident with the Cameron–Clegg coalition government, and had continued since then.

“...lowest ebb, I think it was very low in the Francis Maude days, but it’s pretty low now. I think a number of things are making it worse at the moment... The default is that we’re to blame for everything. We’re to blame for Brexit being difficult; if we say Brexit’s difficult, we’re blamed for being remoaners.” – Permanent Secretary

“...we worked hard on integration, keeping the minister fully informed and involved, then he calls a meeting and tells us we are lagging behind, we are not pulling our weight. None of us understood why, other than this was a political statement which we did not deserve. The sense of betrayal has affected me.” – Director General

Comments referring to civil servants inhibiting policy delivery or acting in some form of negative manner are viewed as inappropriate. The strong feeling is that such critique is unjustified.

“I think people in the Civil Service in different departments, not just this one but across the Civil Service, feel some sadness about the fact that politicians of all political parties appear to denigrate the Civil Service, and I think that does cause genuine sadness, especially because it happens more from particular politicians than others.” – Permanent Secretary

1.3.3. Personal qualities

A broad range of personal qualities that directly impact on civil servant performance were offered. These are in no particular order. Different qualities are seen to be required under different circumstances.

- **Offering challenge.** The emphasis is on constructive challenge to thinking in order to ensure that all potential concerns to the direction set by the minister are surfaced, understood and dealt with.

“You do need some grit in the oyster. You do need at times to be a bit abrasive in running a department, because it mustn’t be allowed to become overly comfortable. People need to understand that when a minister says, ‘look, I’ve heard all the arguments about why I should go north, but I’ve decided to go south and now I want everyone on the bus’, that there needs to be sufficient incentive for everyone to do that.” – Permanent Secretary

- **Being calm and creating a sense of meaningful consideration of the issues at hand especially when under pressure.**

“The Permanent Secretary has to be the one person who stays calm... You need to try to get the organisation back into a mentality where it is dealing with the issue, rather than hysterically throwing itself around...” – Permanent Secretary

- **Absorbing pressure.**

“It is the Permanent Secretary who has to act as the shock absorber... Sometimes the job of the Permanent Secretary is simply to absorb, to recognise it is part of the job, and to get on with it... understanding that gives you the inner strength to do what you believe to be right.” – Permanent Secretary

- **Adaptability.** Particularly to meet and address the needs and goals of the individual minister.

“I think one of the challenges for a Permanent Secretary is to ensure that the department is able to make that adjustment and to work effectively with the minister, whoever they are. We’re thinking about that a lot now.” – Permanent Secretary

- **Integrity.** A critical personal quality identified by Permanent Secretaries and DGs.

“...being totally honest. It’s what I expected from my civil servants, but it’s also what I thought the Secretary of State and other ministers had every right to expect from me. They might not like it, whatever it was, but they never had any doubt that I was telling them the truth as I knew it. The second thing I believed is that if there was bad news, and you had any opportunity to do so, the Secretary of State needed to hear it from you first.” – Permanent Secretary

- **Authenticity.** Building legitimacy through honest relationships is seen as important. Numerous interviewees said that behaving in a manner consistent with one’s personal values and the values of the Civil Service and drawing appropriately on one’s personal qualities allows for a more robust relationship to emerge between a Secretary of State and Permanent Secretary. This is the basis for being recognised as authentic and, in turn, being respected by both minister and department.

“There are times when only the Permanent Secretary is able to say, I’m sorry, but this is not acceptable, we can’t do this, I don’t believe this is an appropriate or proper thing to do... In the end, the whole organisation looks to the Permanent Secretary to set standards, a tone, a set of values and beliefs about how government should be done.” – Permanent Secretary

- **Truth to power.** Certain Permanent Secretaries, as well as other senior civil servants, found ‘speaking truth to power’ challenging. Some felt that no matter how difficult, it had to be done.

“I think you’ve got to stand up and speak truth unto power if that is what is needed. Then when people have had that information and the decision is taken, our role is to

get on and implement it, and to do it according to whatever timescale.” – Permanent Secretary

Others recognised that speaking truth to power is seriously stretching, bearing in mind the urgency demanded by the Secretary of State to realise their agenda and their frustration when progress is impeded.

“I’ve got a very hyperactive Secretary of State; he/she’s very ambitious, he/she wants everything done very quickly. That means that sometimes he/she gets frustrated at the pace of change that we’re able to execute for him/her and that creates some sensitivities. How do we make him/her understand what’s needed to deliver his/her policies in a way that he/she can have confidence? I’ve had some very difficult conversations myself with him/her, where I have had to explain why the thing he/she wants us to do cannot be done, and that’s quite a difficult conversation.” – Permanent Secretary

A number of Permanent Secretaries highlighted that speaking truth to power requires nurturing a sufficiently robust relationship with the Secretary of State, which at times involves having the personal courage and resilience to enter into uncomfortable conversations.

“To me it comes down to having honest conversations, even when you know it’s going to be unpopular, and that can be with your own staff... So, it’s not just difficult conversations with the Secretary of State.” – Permanent Secretary

1.4. Civil servants’ values

Particularly noticeable are the values civil servants hold dear. The following emerged as particularly strongly held: fairness; evidence-determined judgement; a sense of impartiality and integrity; independence; and equity.

“Impartiality and integrity; I think civil servants really live these.” – Director General

“They [civil servants] are equity process driven and quite methodical, but when you are dealing with government, this is not a bad thing. The Civil Service provides a massive reality check for us.” – Secretary of State

A particularly strong theme from interviews was the unwavering commitment of civil servants to the purpose and values of the Civil Service.

“These people are devoted to service and to the nation. It comes from the moment they enter the Civil Service to long after they leave.” – Secretary of State

The ‘devotion’ of the civil servant to the Secretary of State was also clear. Civil servants emphasised that, given the Secretary of State is the senior elected representative accountable to Parliament and tasked with meeting the commitments made to the electorate, their focus is to promote and pursue the Secretary of State’s agenda. Irrespective of department, the emerging evidence highlights that whatever can be done to enable the Secretary of State to realise their goals and commitments is relentlessly pursued. Whether such loyalty is consistently reciprocated is less clear. The ‘intensity of devotion’ to the Secretary of State can more closely resemble the characteristics of a ‘one-sided love affair’.

1.5. Nature of the Secretary of State/Permanent Secretary relationship

Despite assurances of confidentiality, many civil servants were reluctant to offer critical comment of Secretaries of State and only did so some way into the interview. Loyalty and commitment to ministers runs deep.

However, a number of interviews revealed the potentially tense, even fractious nature of this relationship. One senior civil servant indicated that over 53% of Secretary of State/Permanent Secretary relationships could collapse due to inherent dysfunctionalities. Other senior civil servants challenge that perspective, strongly suggesting that due to the skills of the Permanent Secretary, no more than 10% of such relationships are vulnerable to collapse. The point emphasised is the tension between the urgency of the political imperative pursued by the Secretary of State versus the evidence-based, more grounded perspective of the immediate landscape surfaced by the Permanent Secretaries.

Even with the best of relationships, many still considered that the Secretary of State/Permanent Secretary relationship is one of tension. The question is how well is it handled? Courtesy, professionalism, collegiality, respect and high levels of personal sensitivity are fundamental to pursuing a positive and constructive relationship.

“...if there’s one single message, and it’s perhaps even more relevant now, it’s behave with courtesy, professionalism and respect towards all of those you are dealing with, and in particular your civil servants. That absolutely does not mean that you need to accept any piece of advice that they give you, that you can’t be critical, and indeed highly critical, if they deliver service, advice, delivery which is clearly not good enough.” – Secretary of State

“If you try to see yourself as part of a collegiate effort designed to deliver your government’s and your own policies and ambitions, you are much more likely to succeed” – Permanent Secretary

Further senior civil servants described the lengths they would go to in order to ensure a sound and workable relationship with the minister:

“You’ve got to constantly remind yourself that actually if X goes wrong, it’s your Secretary of State that’s going to be subject to 30,000 tweets asking them to resign, not you. And you’ve got to put yourself back in their shoes all the time... and have sufficient empathy to be able to understand why they are asking you to do what they’re asking you to do.” – Director General

“I remember one of my low points when I went to the Secretary of State and said, ‘I am sorry. We have badly let you down. It is completely unacceptable and I will do anything I can to ensure this does not happen again.’ I am hugely sympathetic to my ministers. So, what I learned to say is, ‘Minister, please let me know what you would like me to do better.’” – Permanent Secretary

Not all Permanent Secretaries adopted such a conciliatory approach to engaging with their Secretary of State. Others emphasised the building of strong teams of civil servants capable

of rapidly responding to different challenges and providing a clear pathway to meet the minister's requirements.

Both approaches can work. Each senior civil servant should be clear about their approach to establish a supportive and workable relationship with their minister.

Certainly, a number of interviewees offered that being attuned to the minister requires building a broad network of trusting stakeholder relationships, which can be drawn upon to facilitate the minister realising their objectives.

"...I think one of the strengths of civil servants, which is largely hidden from ministers, is that civil servants were always very good about their wider relationships. Their ability to have the connections in the fields – they knew the go-to people who could either reinforce the argument they wanted to push or stop the minister doing something." – Secretary of State

"I want the minister primarily to be clear about the direction they want to go in, provide the appropriate framework for us to work in, to appropriately challenge but actually at a level that recognises that the people who are responding generally want to deliver what ministers want them to deliver." – Permanent Secretary

However, political priorities change. The minister may reach an alternative understanding with stakeholders, including Parliamentary colleagues, which requires a change of direction to that agreed with the Permanent Secretary and the department. Civil servants emphasised their urgency to support the minister to meet such a change of commitments.

"It is hard work and if anything goes wrong even when I had the Permanent Secretary walk in and say, 'I take responsibility for this', I always said to them, 'you may take the responsibility, but I will be held accountable.' In other words, it is me at the despatch box." – Secretary of State

"On the first day, when I met the minister it was clear that we needed to brief him/her in nine hours when he/she would be at the Despatch Box as if he/she had been in the department for the last nine months." – Permanent Secretary

In most cases, the civil servants felt that the Secretary of State had sound, logical reasons for changing direction and priorities. But, at times, the only logic identified was the poor relationship between them and other Secretaries of State. Interviewees outlined how one Secretary of State impeded the progress and policy delivery capacity of another. Despite civil servants being uncomfortable in discussing such cases, the resentment one minister held for another emerged as the strong motive for a change of political direction. Although such idiosyncratic behaviour occurred just a few times, sufficient doubt was raised in the minds of certain interviewees concerning the universal commitment of Secretaries of State to cabinet responsibility. Some referred to undue inter-ministerial tension and questioned the degree to which ministers were committed to the doctrine and practice of collective cabinet responsibility. Still, the civil servants described how they attempted to find pathways through such sensitive ministerial tensions to achieve greater alignment between ministers.

“Yes, I know we agreed a way forward, but then something changed in the House and I needed to support a colleague minister – this has implications for my civil servants in terms of adaptability and ability to both recognise the severity of the circumstance and change accordingly or else.” – Secretary of State

A further point raised is the Secretary of State’s response to supposed underperforming Permanent Secretaries. If seen as not meeting the demands and urgencies of the Secretary of State, then a complaint may be lodged with the Cabinet Secretary requesting a change of Permanent Secretary. Numerous Permanent Secretaries and DGs described the lengths they would go to prevent such a demand being made. The ‘black mark against one’s name’ is taken very seriously.

The concern expressed by senior civil servants is that being labelled with a black mark is a stain on their professionalism and character, irrespective of the effort and skills applied to meet the challenges of particular circumstances.

“The minister/Permanent Secretary relationship is one of tension, even on the best days. It does help if you have been in the department for more than two years as you have a sharp sense of what works. But if the relationship with the minister is not working or they are so clear on what they are going to pursue and you know that is

wrong, the situation deteriorates and often it's me that gets the blame.” – Permanent Secretary

“Despite me being at the top of my career, receiving a black mark that the minister wants somebody else is of deep concern. Few civil servants will tell you, but being reported by your minister to the Cabinet Secretary is deeply worrying. We have tried very hard to make our relationship work, but what to do when I know that the minister will hit insurmountable obstacles and sees me as the block to progress.” – Permanent Secretary.

1.6. Remuneration

Early on in the study, the issue of remuneration was raised. Numerous senior civil servants reported the challenge they face in filling posts due to the poor pay on offer. Even senior civil servants highlighted the challenge of living in London on Civil Service pay.

“I did not have my own house until I was 49 years old.” – Permanent Secretary

Many highlighted that for departments with multibillion-pound budgets, the levels of remuneration are low in relation to comparable responsibilities in the private sector.

However, the greater majority of respondents saw remuneration as a frustration and not a reason to pursue an alternative career outside the Civil Service. A considerable number reported joining the private sector, or intending to do so, but then returning to the Civil Service. The reasons for being a civil servant were made clear: a deeply held sense of public service; the values enshrined in the Civil Service; and the challenge of working through complexity and finding solutions for the public good.

Civil servant robustness, resilience and ability to face up to challenges and work through sharp, and sometimes unfair, comment, also emerged clearly from the interviews. In the face of significant government cutbacks and feeling underpaid, the respondents strongly emphasised that civil servant resilience has been strengthened rather than diminished over the last few years.

2. Ministers

Secretaries of State and junior ministers described their role as covering a broad range of duties, tasks and activities, including continually engaging with multiple stakeholders; constituency and Parliamentary duties; being representatives of the UK government; and being publicly exposed. Above all else, ministers emphasised the criticality of having a clear view of their purpose and goals to pursue.

“You must have that clarity of direction. All others around you need that. Harm comes when, as minister, you cannot give that clarity of perspective.” – Secretary of State

Secretaries of State, in particular, are described by civil servants and private sector CEOs and chairs as highly capable individuals, exhibiting a strong sense of public service and deserving of deep respect. Ministers were identified as not necessarily knowledgeable in their area of office and at times unclear about the realities of policy delivery. Yet, despite this, they were also characterised as ‘ambitious’, ‘wanting to lead’, seeking to ‘initiate change’ and to ‘leave a positive legacy’. They are described as individuals with ‘huge demands on their time’, having to answer to and be held accountable on extremely complex issues by their political party, Parliament, their constituencies, the media and the public. Permanent Secretaries expressed deep admiration for the Secretaries of State.

“A job I would not want nor could do. All the Secretaries of State I have known are exceptional.” – Permanent Secretary

Ministers are identified as handling their relationship with civil servants in two ways. Certain ministers adopt a collaborative approach, viewing civil servants as an invaluable and trusted resource, as a sounding board, checker, insightful policy adviser and guide on how to work around obstacles. Other ministers have viewed and continue to view civil servants with suspicion, and remain sceptical of their competence and loyalty. This is particularly so with Brexit, where civil servants report they are seen by some as inhibiting or subverting negotiations, and delaying or thwarting the minister’s ambitions. The civil servants consider that these ministers need to be ‘won over’.

Yet despite criticism and as emphasised throughout this report, Permanent Secretaries still maintain that Secretaries of State are outstanding individuals, a point echoed by private sector executives.

“The Secretary of State is the one person who has the ‘department’ in its entirety within their head.” – Permanent Secretary

Secretaries of State are recognised as positively responding to criticism and as being well aware of what can potentially go wrong. Their ability to draw on detail and still hold on to their broader perspective is particularly admired.

“The Secretary of State has an incredible eye for detail, and I think like all Secretaries of State, I’m always astounded by the breadth of their knowledge and how they’re able to pick up a brief and go with that and present very eloquently to a range of people.” – Director General

A number of ministers and senior civil servants commented that due to the relentless pressure on the minister, their orientation tends to be short-term in nature. This impacts on the whole policy process, whereby 20% of effort is centred on policy creation. In contrast 80% of effort and skill is devoted to policy implementation and delivery. Despite this, ministers are seen by civil servants as overly concentrating on policy creation and not fully appreciating the reality of policy delivery. A minority of ministers agreed with this point.

“Many Secretaries of State do not recognise that the critical part of their job is the execution of policy. Many are in the old mindset of political thinking and public administration but that, from my experience, is only 20% of their job. The other 80% is making policy happen, and that means knowing how to work with a much broader group of people, particularly the civil servants.” – Secretary of State

2.1. Fuzzy boundaries

Many described the boundary between the Secretary of State/Permanent Secretary roles as increasingly opaque. Prior to the Blair government, the interviewees described a clear distinction of role. The minister was concerned with policy creation, Parliament, constituents

and the public. The Permanent Secretary was responsible for running the department and policy delivery. Currently the view expressed is that the roles in terms of duties and responsibilities overlap and it is up to the two individuals to determine appropriate delineation. The fundamental principle of the minister championing policy creation and civil servants being responsible for policy delivery remains. It is more in the detail of these two domains, creation and delivery, that issues of overlap can occur.

The view that the Civil Service is slow, cumbersome and conservative is seen as justification for certain Secretaries of State to become more involved in the detailed running of the department. The urgency of demands has led ministers to take more charge of some management and operational matters. Certain Secretaries of State and even junior ministers are reported as being more involved in the appointment of civil servants. Such involvement varies from being consulted to sitting on appointment committees (as reported to us) and determining which candidate will be successful. I recognise that what is reported is in breach of the Civil Service Commission's Recruitment Principles. There was no opportunity to verify such interviewee statements and draw distinction between 'assertive fireside chats' and sitting on a panel/committee as part of a formal appointment process.

One official offered that before their appointment they were advised by their boss to 'not come over as too bright in the interview in order to make the minister feel more comfortable'. The individual was successfully appointed. However, the minister was reported as being satisfied with the appointment and going directly to the individual to undertake various tasks. As a result, the minister was viewed as undermining the command structure of the Civil Service and asking for a contribution that the individual felt they could not fulfil. Many of the tasks were not in their remit so the individual reported that 'every time I see the minister in the corridor I run the other way'.

Similar examples were offered in interview. In effect, certain Secretaries of State are seen as becoming too managerial in their orientation.

"Just to get things done and with the pressures on me, I have to get more involved in the department." – Secretary of State

Such practice is viewed as leading to disadvantage for policy delivery.

“Ministerial involvement in civil servant appointments is not always helpful. The minister gets the person they want but the minister could be gone within the year.” – Permanent Secretary

Attention to detail on matters of policy is welcome. Ministerial involvement in determining how to both shape and position policy in conjunction with civil servants is considered as being of distinct advantage to policy delivery. Those ministers who are more policy and less managerially oriented are highly valued by civil servants.

2.2. Junior ministers

The role, influence and impact of junior ministers was only occasionally mentioned in the interviews. Although all recognised the contribution of junior ministers in their pursuit of their portfolio, the only significant finding is that the leadership style and influence of the Secretary of State is paramount. The degree of discretion allowed by the Secretary of State determined the level of openness, challenge, quality of teamwork and extent to which junior ministers interacted with civil servants.

“The Secretary of State determines how I function and the extent to which we as ministers operate as a team.” – Junior Minister

3. Transition

When individuals change work roles by moving to a new department or organisation, research shows that it takes time to learn how to function effectively in their new position. Each person experiences the transition of letting go of old ways of working and learning how to perform well in the new circumstances. The newcomer needs to adapt to a new culture and unfamiliar ways of doing things.

One reason identified for misunderstandings between minister and civil servants is the learning curve for both parties once newly appointed. It takes time to appreciate the nature of the new department, how to relate to and challenge the staff in order to emerge with a deeper understanding of the cultural intricacies that allow for more considered decision-making.

Newly appointed Secretaries of State and Permanent Secretaries with no previous experience of the department describe a transition period of up to a year; and even with previous experience of the department, a transition time of up to six months.

“New into the department, it took me 12 months to understand the finer points and effectively navigate my way through.” – Permanent Secretary

“We really move around too much and in truth it takes 12 months to know the layout of the land.” – Secretary of State

“I was one of the few who had been in post for more than two years and that did make such a difference with my relationship with civil servants and understanding of how to make things work.” – Secretary of State

However, the six and twelve-month transitions did not emerge as the most critical transition. The vital transition is the civil servant’s understanding of how to deal with the newly appointed Secretary of State. Such transition averages at three months. Civil servants captured in detail how an initial, misreading of the newly appointed Secretary of State quickly led to a strained and difficult relationship with the minister.

“It takes about three months to really know your minister, but during that time things can really go wrong and sometimes cannot be put right.” – Permanent Secretary

Certain civil servants outlined the challenge they faced in truly understanding the minister. Unless a possible misreading of the minister is quickly rectified, a strained and difficult relationship can take hold.

“I really misjudged my Secretary of State. I thought from the way he/she operated, he/she was gregarious and outgoing and so I put him/her in front of many people. He/she actually is more introverted and insecure than I imagined, and I should have had him/her meet in smaller groups and in a less exposed manner. To this day, I believe he/she has not forgiven me and must feel that civil servants are obstructive. I blame myself but it really took me three months to understand (him/her).” – Director General

“[After a presentation to the Secretary of State] I was thrown out of the office and told not to come back, but the situation was so pressing, I was back in front of the Secretary of State some months later. He/she liked what I presented and said fine let’s go ahead. The political adviser attending said to me after that meeting, ‘Am I wrong, but did you present more or less the same as you presented those months ago?’ Yes, it was the same, but what I learned was how to show the advantages for him/her as Secretary of State and how he/she will gain. It took me three months to learn that.” – Director General

In turn, ministers also emphasised how impressions of civil servants were deeply formed in the first few months in office.

“I had a clear idea about the way forward when I took up office. The civil servants kept telling me you cannot do this. I know they meant well, but after a while it felt as if they obstructed. Then that happened in the next department, so I learned to be wary of civil servants.” – Secretary of State

For ministers who repeatedly experienced an unsatisfactory initial three-month period from one department to the next, the image of the civil servant as conservative or even obstructive can all too easily take hold.

Those civil servants who were able to positively position their relationship with their minister from the start did so by focussing their attention so as to ‘learn their minister’. They confirmed that the three-month transition period is ‘vital to get right’. Attention is given to appreciating the characteristics of the minister – as more extroverted or introverted, or seeming more secure or insecure, or more rationalist or contextually sensitive to circumstances. Civil servants report they give high priority to learning how to positively engage with their minister.

3.1. Obstructive behaviour: Effect of inhibition and misunderstandings

During the interviews, I paid particular attention to comments from both minister and civil servants of supposed conservative, obstructionist or undermining civil servants’ behaviour.

Irrespective of the tensions in the civil servant/minister relationship, or being in transition or not, I found no evidence of civil servants deliberate blocking, holding allegiance to the previous government, being deceitful or deliberately misleading the minister, or having an alternative agenda. Equally, I found no civil servants who attempted to frustrate or disrupt the Brexit negotiations due to their supposed anti-Brexit/pro-European sentiments. In fact, in the words of one senior civil servant, 'it is an insult to even think that'.

However, civil servants admit to misunderstandings, misjudgements, feeling inhibited to speak up and, in certain circumstances and with particular Secretaries of State, not knowing how to speak truth to power.

I conclude that civil servants sincerely work through demanding challenges. But, due to the complexities and misunderstandings in the relationships, certain ministers continue to view civil servants as being negative and undermining.

A problematic relationship between Secretary of State and Permanent Secretary is reported as impacting on junior ministers and on civil servants lower down. Interviewees described the increasing tension in relationships cascading down the hierarchy. Even middle-ranking and more junior civil servants described feeling defensive and reluctant to offer opinion, fearing reprimand or being viewed in a negative light.

Under these circumstances some civil servants felt their perspective is likely to be disregarded. Some junior and middle-ranking civil servants outlined an emergent *schadenfreude* when talented individuals are thought by colleagues to have been moved on for attempting to address known concerns.

Such negativity was clearly identified as stemming from an unduly tense Secretary of State/Permanent Secretary relationship, which permeated into the culture of the department. However, the interviewees also emphasised that this was not the core nature of the culture of the Civil Service. The view frequently expressed is that the Civil Service is composed of many cultures determined by legacy, personalities, the mindset of the Secretary of State/Permanent Secretary and the pressures and demands on the department.

Conscious of how a tense Secretary of State/Permanent Secretary relationship can undermine fulfilling the minister's requirement, all civil servants emphasised their responsibility and sincere attempts to improve the Secretary of State/Permanent Secretary relationship.

The interviewees concurred that a continued strained relationship between Secretary of State and Permanent Secretary had a damaging impact on the department and particularly on the process of policy delivery. Ministers and civil servants considered that the Cabinet Secretary, Sir Jeremy Heywood, is aware of these strains and their repercussions. The strong view expressed is that the Cabinet Secretary strives to ensure relationships improve and are made workable. Admiration for the Cabinet Secretary was strongly expressed for the way he engaged with all relevant parties so that the interests of those concerned are attended to in order to foster a more effective way of working. Both ministers and civil servants agreed that on his retirement finding a person of comparable capability will be a challenge.

4. Civil Service structure

A point of concern expressed within the Cabinet Office, but less so by departments, is the need to introduce a more cohesive organisation structure that encourages greater use of shared services, enhancing quality of service internally and ultimately to the community, and encourages economies of scale. In effect, what was described is the sort of matrix structure operated by multinational companies that attempts to integrate departments with central service functions and breaks down the silo mentality that is seen by some to exist in departments.

The champion of the proposed matrix is identified as Lord Maude. As the former Minister for the Cabinet Office and Paymaster General, Francis Maude is acknowledged and respected for spearheading many necessary reforms. His drive to reduce costs is deeply appreciated by both ministers and civil servants. The logic of possibly adopting a matrix structure is also acknowledged.

“He (Lord Maude) received much criticism and was held in distaste but in truth he was 80% right. The questionable 20% is how he went about this.” – Permanent Secretary

Others were more critical.

“Francis Maude was probably the most culpable of ministers; a complete lack of respect and regard for their (civil servants’) abilities, for their knowledge, for their experience.” – Permanent Secretary

On balance, and despite comment to the contrary, Lord Maude is viewed as the change agent the Civil Service needed.

With him no longer Minister for the Cabinet Office, a further opinion offered was that structural reform would now not proceed satisfactorily. A champion of Lord Maude’s calibre is needed. The contrasting perspective is that the Cabinet Office, through the Cabinet Secretary, can effectively pursue a matrix redesign.

Despite their respect for him, the civil servants find it difficult to accept Lord Maude’s publicly critical comments concerning the functioning of the Civil Service.

“If only he would desist (his rant) he would really achieve so much more.” – Senior Civil Servant

One view is that in order to dislodge the supposed silo mentality, the focal point of the proposed matrix structure should be the support functions (i.e. information technology, human resources). Thus, departments would need to integrate with the functions, not the other way around. My own experience of large and complex organisations – based on researching them for more than 30 years – is that building a matrix structure around the functions leads to the organisations being inward looking and unresponsive to external needs.¹ Thus, the department would primarily fit with the procedures and processes of the functions and only then be sensitive to the needs of the stakeholders and the public the department serves. Compliance to procedure rather than care for the citizen could easily become the order of the day.

Critical to the effective working of any matrix structure, in my view, is to determine its purpose and how that purpose should be operationalised. As the central purpose of the Civil Service is to execute the policies of the government, through the office of the Secretary of

State, the department is the vehicle for doing so. My observation is that any future matrix needs to be built around departments. In so doing, considerable advantage can be realised from a well-designed and led matrix, namely providing clear economies of scale and agility without restricting the department's room for manoeuvre to respond to and deliver the agenda of the Secretary of State. It is clear, however, that the agenda of the Secretary of State, through the department, will determine the working of the proposed matrix.

The maturity of the Permanent Secretaries leading departments to think and act more broadly for the benefit of the Civil Service and not just their department came into question. Yet irrespective of the attitude of Permanent Secretaries, a number of interviewees considered that the proposed matrix structure would not work because the Secretary of State's orientation is to deliver on their immediate political imperatives. In so doing, a number expressed that the Secretary of State would display little concern for more integrated ways of working. The immediate pressures on the Secretary of State are expected to have them disregard the internal protocols necessary for an effectively functioning matrix structure.

I do not make any recommendation later in this report concerning the future development and design of a matrix structure for the Civil Service. Due to a lack of sufficient evidence, further investigation is needed in order to satisfactorily offer comment on Civil Service structural redesign. I do however suggest that the structural reform of the Civil Service become a Cabinet Office initiative.

5. Special political advisers

Emphasised in interview is that special political advisers (SpAds) are appointed by the Secretary of State to provide the advice, guidance and assurance required.

Interviewees report that the relationship of SpAds with civil servants has in the past sometimes been fractious, often because the political adviser's primary role is seen as to pursue exclusively the minister's agenda. Civil servants reported that SpAds displayed little concern for how their behaviour impacted on others. The tense and at times 'inhibiting' relationship between the Permanent Secretary, other civil servants and SpAds has been viewed as an obstacle that needed to be overcome.

The attitude and behaviour of the SpAd was described as somewhere between ‘over-assertive’ and ‘aggressive.’

“...if they simply see their role as enforcers for the minister and are not capable of being sufficiently open and intelligent enough to make their own assessment and then guide their minister or Secretary of State accordingly, they’re not up to the job.” – Permanent Secretary

In order to minimise their negative effects, certain Permanent Secretaries report that they act as a ‘buffer’ between the SpAd and the staff of their department.

“I also make it very clear to them that if they’ve got a problem with any of the work that the staff are doing that they should tell me about it, not the staff. What you don’t want is a special adviser shouting at your staff because that’s not the way to get the best out of people...” – Permanent Secretary

The unwelcome impact of certain SpAds is reported by others, not just civil servants.

“The special advisers had their own agendas, slightly out of control... the minister has significantly reduced the number of special advisers and I think that’s been a very positive thing...” – Non-Executive Director, Departmental Board

In contrast, other Permanent Secretaries highlight that certain SpAds have made a positive contribution.

“...there’s three types really. There’s the type that are very influential with a Secretary of State, but regard their relationship with the department as a combative one. There’s the ones who are very influential with the Secretary of State but regard their relationship with the department as an important and collaborative one. And there’s ones who aren’t that influential with the Secretary of State, and aren’t having as huge an impact.” – Permanent Secretary

“Well, they’re a very mixed bag. There are some who are absolutely outstanding, I mean really outstanding, and were critical for making the government work properly

and were truly, truly remarkable individuals, and there are some who are completely destructive forces with the department for whatever reason... There are other ones who are bad because they very tightly control access to the Secretary of State.” – Permanent Secretary

In the more recently held interviews (June 2017 onwards), many respondents indicate that the unwelcome ‘pushy’ behaviour of SpAds is now more a phenomenon of the past. Over time, the style of the SpAd is seen to have become more facilitative. The approach taken by many SpAds today is more towards increased listening and a greater willingness to work with the Permanent Secretary to genuinely explore how policy could be enabled. Permanent Secretaries see this development as a positive one.

“In my experience, when we first started seeing a large number of quite powerful special advisers in government I think the Civil Service found it quite difficult initially to understand how to manage its relationship with those people... the Civil Service has largely adjusted to that now, and mostly in my experience, the relationship with special advisers is a productive one, they can provide a political insight which civil servants typically are less able to do... there are certain things they can do that civil servants should not do, because of the political nature of these activities...” – Permanent Secretary

“My best friend. I now probably spend more time with the SpAd, having a coffee and trying to see how the message should be positioned to the minister’s advantage. For me they are very valuable.” – Permanent Secretary

Most interviewees agreed that the more thoughtful, co-operative and facilitative the SpAd, the better the quality of advice to the minister.

Where concern with SpAds still exists is their involvement with the lower ranks of the Civil Service. One Permanent Secretary reluctantly acknowledged that despite improvements, civil servants lower down the hierarchy are exposed to certain ‘SpAds’ aggressive behaviour’.

“...they can be enormously helpful and really help officials... There are others who just strike fear and terror into the hearts of civil servants and diminish the

competence of the whole organisation, and I've certainly come across a good number of those..." – Permanent Secretary

6. Departmental boards

Government departmental boards do not have the same legal accountabilities and responsibilities as boards in the private or third sectors. Rather, they provide an advisory and support function. It is reported that the quality of contribution, governance and oversight provided by department boards varies greatly.

The emergent view from numerous civil servants is that most boards are less productive than they could be. The prime reason is the poor leadership from the chair of the board, namely, the Secretary of State. The quality of chairmanship is reported as varying substantially. Certain NEDs report that they have hardly met their Secretary of State. Others state that the Secretary of State pursues their political agenda and attends less to the board oversight, advisory or support function. Equally the comment was offered that certain Secretaries of State do not seem interested in the work and contribution of the departmental board. Certain NEDs even questioned the value provided by departmental boards.

"The effectiveness of the board seems to rely largely on the degree of seriousness with which the Secretary of State takes it." – Director General

However, in the few cases where an independent, external chair has been appointed, those boards are reported as providing effective oversight and making a valued contribution. One reason is their closer involvement with the department and the freedom to determine the nature of the oversight they should provide. Worryingly, however, such boards are reported as being few and far between.

"By far the best boards I have seen are the ones that have an independent chair. These are really few, but their advantage is that they are not exposed to the political agenda and whims of the Secretary of State but enable the process of policy delivery and give better service to the minister." – Chair, Departmental Board

Despite the poor quality of chairmanship reported, certain interviewees felt that little will change. The reason offered is that if the Secretary of State is not the chair of the board, then boards will be given minimal attention and would contribute even less than they do at present.

“Look, you have to have the Secretary of State chairing the board because if he/she’s not taking it seriously then nothing else engages. The Perm Secs are obviously the other key role and then the lead non-exec. That three-way relationship is really critical.” – Non-Executive Director

Secretaries of State expressed a more positive view of departmental boards and their contribution.

“...we refashioned the board into a much smaller entity with me, the Secretary of State, chairing it... but neither of us (Secretary of State and Permanent Secretary) ever missed a meeting. It would have been unthinkable.” – Secretary of State

Despite misgivings concerning the formal board, NEDs as individuals received high praise from Secretaries of State, the Permanent Secretaries and civil servants lower down the hierarchy. Their experience, facilitative skills and independence, and willingness to offer constructive challenges are viewed as invaluable. Most acknowledge that the NEDs on departmental boards are of a high calibre.

“I think non-executives, if they approach their role in a challenging but constructive way, can add enormous value to government, or government departments.” – Permanent Secretary

“They bring independence and they bring experience... often of running an organisation in the private sector.” – Permanent Secretary

Non-executive directors identified how they circumvented less than effective boards. Informally as individuals, they highlight the extent of their support for the department, facilitating improvements and supporting the Permanent Secretary. The view expressed is, ‘We do in small groups what we could not do as a board!’

Despite nominal or no remuneration (33% are not financially remunerated), the NEDs interviewed expressed a strong desire to be even more involved with the department. Their sense of public service is strong and evident to see. From my experience and from my global research into the functioning and contribution of boards and NEDs, I have not witnessed in the private and third sectors such a desire to contribute to both the department and Secretary of State.² However, many indicated that unless independent chairs are appointed, board contribution overall will not improve. The current practice of certain NEDs supporting the department and Permanent Secretary would continue at the expense of making full use of the board.

7. Arm's length bodies

Arm's length bodies are third sector organisations that report to government, with a chair and possibly CEO appointed by the minister. Overall, arm's length body chair and CEO interviewees expressed a negative view of working with government.

“My worst experience is working with government.” – Chair, Arm's Length Body

“I used to blame the Perm Sec, but I learned it was the minister and their change of mind. So, now I better prepare myself for meetings with the Minister and Perm Sec.” – Chair, Arm's Length Body

The reason for the expressed frustration is the limited contact with government. Chairs and CEOs of arm's length bodies meet the Permanent Secretary or minister, 'if we are lucky once a year'. Chairs of arm's length bodies highlighted that they had been working on certain priorities from the year before only to find out that at some point their goals had been changed 'with minimal or no explanation'. One view is that government doesn't care or isn't interested. 'The Permanent Secretaries are just there to service the minister and are not interested in the work I do at all,' one CEO stated.

Closer investigation surfaced that the ministers' change of priorities usually occurred for sound reasons, often due to needing to respond to challenging and shifting political demands.

But this was neither recognised nor respected at senior levels within arm's length bodies. Certain chairs termed such change of goals as 'political expediency'.

In contrast, to the experiences described by chairs and CEOs, Permanent Secretaries report they value and wish to improve the relationship with arm's length bodies.

“Money goes out of the door to X-number of arm's length bodies. I have numerous chairs and chief executives to work through, so I am here to make sure that the relationship works... In my particular business model, the chairs and chief executives of my arm's length bodies are absolutely critical... So, I rely on my chair and chief executive ringing me up.” – Permanent Secretary

8. Project tenure and expertise

A frequently expressed frustration is the rapid turnover of civil servants, especially those who hold a particular expertise directly related to a project or programme of delivery. The limited project tenure of the civil servant 'expert' is an ongoing irritation.

“They move on too quickly. Some stay for three months or six months, and then it takes two months to find somebody who can do the job.” – Secretary of State

One reason for the rapid turnover of talented individuals is the prospect of an increase in pay and career progression. Being appointed to priority and high-profile projects allows the individual to rapidly learn how to address stretching challenges, which means they are better placed to be a favoured candidate for promotion within the Civil Service or for jobs in the private or third sectors. The experience gained on projects is considered invaluable and provides the chance of a better position elsewhere.

In order to address this concern, the Civil Service has invested in enhancing project and programme management and leadership skills. Attention has been given to understanding the nature of project management and delivery in government and in developing talent in this area.

“Improving performance of projects delivery across government from infrastructure projects through defence and IT is most difficult due to the complexity and transformational nature of government projects. If you are running a private company you would phase work a bit more, but as you know we are driven by both financial and political imperatives.” – Director General

Positive comment was made about the project management Masters programmes at Oxford and Cranfield.

“Our two programmes at Oxford and Cranfield are really producing the project leaders we need for the future. I admit that there is still a gap between what is needed and what we can deliver today, but this gap is closing”. – Director General

It is also recognised that, no matter how effective the two programmes are in terms of project management skills enhancement, the immediate concern over project tenure is still not satisfactorily addressed. A number of interviewees acknowledged that further attention must be given to addressing the turnover of critical experts on projects/programmes.

9. Prioritisation

A particular concern expressed by civil servants, NEDS and chairs of arm's length bodies is prioritisation. Too many commitments are concurrently pursued. The prime reason is the commitments made in the party manifesto and other emergent political priorities. Some of these are no longer as relevant but are not retracted.

“The manifesto commitment; these are like tablets of stone. We didn't create them. They were given to us.” – Director General

The frustration and concern of civil servants attempting to meet the commitments made by the minister and the government is that they are unable to fulfil such a broad range of obligations. Yet their commitment is deeply held and continues in terms of attempting to meet all the priorities.

“We tend to treat the manifesto as a bit like the Bible, the Gospel that something has to be. My experience is that sometimes you have ministers saying to us, well, we didn’t mean exactly that, or they look a bit surprised that we’ve taken every word so seriously.” – Director General

In contrast, some civil servants indicate that ministers seem less concerned about prioritisation and are driven to realise more immediate demands.

A number of civil servants emphasise that the pressure on prioritisation would lessen if they were allowed to work on the manifesto of the parties competing at the general election. The deeply held value of impartiality would benefit all parties and give favour to none. However, the same people acknowledge that this is currently impossible due to the protocols in place determining civil servant relationships with opposition parties.

10. Outsourcing

The interviewees confirm that the outsourcing of government functions, services and resources is now commonplace. What started under the Thatcher administration to improve efficiency has continued ever since. The assumption is that the transfer of government assets and risks to external private sector agencies will provide a more effective and streamlined service to government. Outsourcing is now recognised as an integral part of the functioning of government.

Civil servants and outsourcing agency executives drew attention to the early scandals of companies taking advantage of the lack of contracting skills and outsourcing experience within the Civil Service in order to maximise revenues at the cost of quality of service delivery. The opinion offered is that this is now a phenomenon of the past. Considerable improvements have been made. A much more cost effective and improved level of service by various agencies is now offered to government. In fact, a number of civil servants stated that they have been supported and coached by outsourcing agency executives as a part of improving their contracting skills. With improved relations between the outsourcing agency and government, civil servants identify themselves as better able to manage outsourcing commitments.

“I learned a great deal on contracting and outsourcing from our suppliers. They were really most helpful when they have no reason to be.” – Permanent Secretary

“It took us time to learn how to work with government. Our initial approach of trying to maximise our profits badly damaged relations. Those people are now gone and we really do have much better relationships than before.” – Senior Manager, Outsourcing Agency

Yet, with greater experience and improved skills, a number of civil servants question why certain services and assets are being outsourced. They argue that in some cases a higher quality and more cost-effective service is available from within.

Civil servants are questioning whether greater consideration should be given to sourcing rather than outsourcing. With greater in-house contracting expertise and with internal efficiency and service improvements, civil servants consider that certain assets and services could be sourced in or sourced out depending on the circumstances and challenges facing that department. Greater efficiency and effectiveness is gained by some high-performing companies in the private sector through having the flexibility to source assets, services and functions in and out of the host company in order to best realise competitive advantage. Independent study confirms this to be the case.³ Although no direct comparison can be made with the private sector, with the improvement in project management and outsourcing skills, civil servants are never-the-less identifying that certain functions/services can be more effectively/efficiently delivered in-house. They advocate taking a situation-by-situation approach.

11. Coaching

Civil servants report that they benefit from the coaching support made available. The services offered vary from confidential one-to-one coaching to pursuing culture and attitude change programmes. It is reported that considerable use is made of data-based surveys to improve communications and relationships within teams and across the department.

“Learning how to effectively cascade messages down is as important as the one-to-one sessions I have with my civil servants.” – Coach

However, it was also stated that the coaches do not become involved, nor understand, nor wish to be involved, in the Secretary of State/Permanent Secretary relationship. The emphasis of the coaches is to adopt a more top-down approach to change and the improvement of communications within the department. The impactful nature, positive or negative, of the Secretary of State/Permanent Secretary relationship is seemingly not taken into account in the culture and communication survey initiatives.

Bearing in mind the dynamic nature of the Secretary of State/Permanent Secretary relationship and its impact on civil servant behaviour and attitude, the question has to be raised as to how effective culture surveys and departmental communication improvement exercises generally are.

In discussion on the toxic effect of a negative Secretary of State/Permanent Secretary relationship, no mention was made of how coaches and culture surveys can be used to improve a negative culture. Certainly, and by the admissions of the interviewees, there is no penetrating and comprehensive approach to the facilitation and improvement of critical relationships nor to cultural enhancement.

Emergent findings

One core finding underlies this study, namely the critical nature of the Secretary of State/Permanent Secretary relationship and its impact on the delivery of policy. A number of interviewees referred to this powerful dynamic as ‘the chemistry factor’.⁴

The chemistry of the Secretary of State/Permanent Secretary relationship is shaped by the level of tension between the Secretary of State pursuing multiple political imperatives and the Permanent Secretary’s realistic appreciation of the landscape the Secretary of State is required to negotiate. In effect, the relationship is characterised by the tension between urgency versus realism.

This study highlights that Secretaries of State and junior ministers are deeply admired by civil servants for their capabilities, values, versatility and resilience. The Secretaries of States' capacity for continued responsiveness to varying stakeholder demands and the strength of character to do so is viewed as admirable.

In short, civil servants emerge as dedicated to their minister. Repeatedly stated in interview is that civil servants go to great lengths to smooth over tensions and the inconsistencies in behaviour of the Secretary of State in order to defend the reputation and integrity of their minister.

A further emergent finding is that the Permanent Secretary is 'the best policy adviser' to the Secretary of State. But their sensitive handling of the challenges to be faced in the delivery of policy means that civil servants are seen as conservative or over cautious, and may be thought to inhibit the programme pursued by the Secretary of State. Based on the findings of this study, I conclude that this is not the case.

I cannot support the perspective that civil servants 'inhibit or block ministers' or that civil servants use their role to 'hold back' or 'redirect' Brexit negotiations. I found no such negative behaviour. Permanent Secretaries are cognisant of the complexities of the landscape facing the Secretary of State and endeavour to support and pursue the interests of the minister as appropriate. However, and as stated, civil servants admit to feeling inhibited, or unable to further advise, because of the stretching relationship they have with the Secretary of State. For this reason, I highlight the positive contribution of the Cabinet Secretary in working through damaging tensions.

Further, civil servants may find themselves unable to act due to the misalignment of interests between Secretaries of State themselves or between the Secretary of State and 10 Downing Street. Here the question of Cabinet responsibility comes into question. Despite such pressures, civil servants still go to great lengths to support their Secretary of State. As stated earlier, I find that civil servants display a devotion to the minister rarely seen in other national governments.^{5,6}

Few ministers acknowledge the efforts required to effectively deliver on policy and the dynamics that need to be handled to do so. Only two Secretaries of State in this sample

highlighted that a fundamental part of their role is attention to policy delivery and execution. Many still view the civil servant as not sufficiently responsive. For that reason, the roles of Secretary of State and Permanent Secretary overlap to the detriment of policy delivery. I conclude that Permanent Secretaries accept the responsibility for leading on policy delivery and, in fact, strive to protect their Secretary of State from any criticism that may emerge.

On the basis that the Secretary of State is so pivotal to the functioning of government, the following recommendations are made with the intention of strengthening the Secretary of State to enhance policy delivery effectiveness.

Recommendations

A. Respecting the chemistry factor

As emphasised by the interview findings, the quality of relationship – the chemistry – between Secretary of State and Permanent Secretary has a profound impact on policy delivery and the running of the government department. This study repeatedly highlights that this dyadic interaction is a critical ‘fracture point’ potentially undermining policy delivery and relationships within the department, and leading to the emergence of an unwelcome blame culture.

A fracture in the structure of any organisation is the point where, irrespective of circumstances and personalities, comparable problems and challenges repeatedly occur.

Civil servants highlight two dimensions to the chemistry between Secretary of State and Permanent Secretary: common ways of thinking and emotional appreciation of each other. In effect, do both parties have a shared view of the world? Can each engage with the other?

My research into the chair/CEO relationship in the private sector identifies a similar finding between chair and CEO on the dimensions of common ways of thinking and level of emotional engagement.

And yet, in comparison to the private sector, the Secretary of State/Permanent Secretary relationship emerges as more positive and favourable. Having separately conducted the private sector study, I note the distaste and disrespect that can arise between the corporate chair and CEO. In companies, the relationship between chairs and CEOs can become highly combative unlike the conciliatory approach adopted by the Permanent Secretary.

Numerous senior civil servants highlight the lengths they go to in order to better understand and thus better engage with their minister. Consideration is given to the personality and style of the Secretary of State – whether they are more confident or less confident. Equally attention is paid to their mindset – whether they are more evidence driven or more sensitive to context. That sensitive understanding of the minister enables the civil servant to ‘position’ messages in such a way that engagement improves and the Secretary of State better appreciates the ‘landscape’ they need to navigate. As previously stated, the ‘dream’ minister to work with is confident and more evidence based. The problematic minister that requires extra attention is less confident and overly context orientated. The problematic minister is described as sensitive about themselves but not others, less likely to accept responsibility and more likely to blame others.

What cannot be underestimated is the dynamic nature of the Secretary of State/Permanent Secretary relationship. The opinion expressed that 10% to 53% of Secretary of State/Permanent Secretary interactions have a dysfunctionality that could make the relationship unmanageable, captures reality. I believe both assessments were sincerely made, are accurate and simply reflect the nature of the tensions at those moments in time. On this basis, continuous attention to the Secretary of State/Permanent Secretary relationship is required.

Certain Permanent Secretaries conclude that the minister should not be concerned with the chemistry factor. As an elected representative, they are required exclusively to deliver on their commitments made to the electorate. It is the civil servant’s prime task to ensure that such commitments are realised. Thus, one opinion is that the responsibility for facilitating a

positive interaction between Secretary of State and Permanent Secretary remains entirely with the civil servant and that seems to be the case today.

However, I conclude that a positive chemistry between Secretary of State and Permanent Secretary is so fundamental to the delivery of policy, that it requires a better appreciation by both parties of the chemistry factor and its consequences will enable both parties to appropriately discuss and position their relationship.

Further, this study shows that, to date, the challenging relationship between the Secretary of State and Permanent Secretary has been largely handled at the personal level. Confidential discussions on how to better address certain problematic ‘chemistries’ have been held behind closed doors or have become the subject of media drama (and satire). Yet the repercussion of a poor chemistry between these two critical roles significantly impacts on the whole system of government. Thus, in order to enhance the efficiency and effectiveness of policy delivery, addressing the chemistry factor needs to be elevated to the ‘systems level’ of government. In this way, attention can be given to the relationship before it reaches crisis point. The blame culture and its toxic effect on the rest of the department can be more easily handled and improvements made. Further support in terms of coaching and facilitation can be offered more quickly on a confidential basis. Through greater public acknowledgement of the chemistry factor, greater recognition and support can be given to civil servant efforts to make the relationship work.

Further mention needs to be made of a phenomenon that is not observed in the study but is a concern in private sector entities. A particular feature of larger companies is the emergence of a second fracture point between senior/middle management where different views arise on how strategy should be operationalised. This tension can occur at the level of country or area where the local management holds a different view to the corporate centre on how to make strategy work due to the unique nature of local circumstances.⁷

No such second fracture point is identified in government. Irrespective of distance from government in London, no consistent and damaging tensions emerged between regional/local areas and London. The reason is the deeply held values of the Civil Service across and within departments. A greater cultural cohesion exists in the Civil Service than with other large and complex organisations in the private sector.⁸

Thus, I recommend that in order to be more supportive of the Secretary of State to deliver on commitments made greater attention needs to be given to the chemistry factor.

Action point 1: In order to better enable the Secretary of State to deliver on commitments made, greater attention and understanding should be given to the chemistry factor, which in turn will lead to greater respect being given to this phenomenon.

Action point 2: Address the chemistry factor more systematically at the level of the organisation, through drawing on evidence to initiate sensitive conversations earlier in the relationship. In this way the blame culture potentially surrounding the Secretary of State/Permanent Secretary relationship can be minimised.

Action point 3: Off-the-job training and development in dyadic and team relationships should be central to the curriculum of the new Civil Service Leadership Academy.

B. Getting to know the minister: Reducing the three-month transition time

Both ministers and senior civil servants report that between six and twelve months transitioning into a new role is required, depending on previous experience of the department. Yet certain senior civil servants consider the most important period to focus on is the Secretary of State's first three months in office, commonly termed the first 90 days. The damaging consequences of misjudging the minister in those early days have been highlighted. The urgent need is to reduce the transition time in order to improve the alignment of thinking and chemistry between Secretary of State and Permanent Secretary.

I conclude that the three-month transition can be reduced to three weeks through coaching and drawing upon evidence-determined feedback. Such a service could be part and parcel of the induction experience of the Secretary of State and Permanent Secretary.

No intervention in the Secretary of State/Permanent Secretary relationship should be made during the first three weeks in office. Both parties should be free to learn and appreciate each other (or not). During that time the Secretary of State will specify their objectives and form a view of the capability of the department and the Permanent Secretary to deliver. During this

initial period, the nature of the relationship, its tensions and strengths, and the reality of the department's capacity to perform will become clearer to both parties.

Through drawing on such insights, coaching and evidence-based feedback can now be more clearly focussed on current concerns and on how to realise future high-quality engagement between Secretary of State and Permanent Secretary. In this way differences of mindset can be spotted and potential tensions in the relationship can be surfaced. All this is in order to find ways to meet the Secretary of State's expectations.

The time required for coaching and feedback for both parties would be one day or even less. Two hours could be spent providing feedback separately to Secretary of State and Permanent Secretary. Then two or more hours spent sharing with each other the emergent insights in order to agree on how the expectations of the Secretary of State will be met. Further support should be made available if required.

In effect, an on-the-job learning experience that would undoubtedly have taken three months or more could be compressed into one day after three weeks of experience in role.

Action point 4: Early in office consideration should be given to providing evidence-based transition coaching for Secretary of State and Permanent Secretary in order to enhance their relationship and appreciation of how to enhance policy delivery.

Action point 5: Coaching and feedback should be integral to the induction offered to the Secretary of State and Permanent Secretary.

C. Truth to power

Civil servants in these interviews recognise the benefit of speaking truth to power. Many, however, are reluctant to speak up, fearing more harm than benefit would result to their relationship with the minister. This study confirms that speaking truth to power can be damaging where the relationship between the minister and civil servant is ill prepared for such an encounter. Yet speaking truth to power is necessary in order to surface and address concerns and damaging tensions, and to inform and provide advice to the minister that they may initially not welcome.

A robust relationship is the basis for speaking truth to power. Robustness of relationship is nurtured over time and is dependent on the growing level of trust between the two parties. This inquiry has shown that realising high levels of trust currently relies on the efforts of the Permanent Secretary.

This is likely to continue. The Permanent Secretary and the senior departmental team will need to gauge what is required to build trust and the length of time necessary to develop a robustness of relationship with the Secretary of State. Speaking truth to power, critical to improving the prospect of the Secretary of State meeting their goals and objectives, should not be attempted until a robustness of relationship has been formed.

Action point 6: The Permanent Secretary and senior departmental team should prioritise building a culture that is accepting of speaking truth to power.

D. Independent board chairs

Except in a few cases, the emergent view is that departmental boards deliver little value and this is due to the varying standards of chairmanship provided by the Secretary of State. Bearing in mind the positive comments about NEDs concerning their contribution and value, I recommend the appointment of independent chairs for departmental boards. Departmental boards are a valuable asset but considerably underutilised.

With new leadership, the board can focus on providing the necessary oversight of the department and particularly on whether policy delivery meets the Secretary of State's expectations. Through sensitive oversight and facilitation provided by the chair and the board, the interaction between Secretary of State, SpAd and Permanent Secretary/department can be enhanced. This does not mean that the Secretary of State will lose touch with the department or board. How often and how much the Secretary of State wishes to address and work with the board will remain their prerogative. However, by not being chair of the board, the Secretary of State can concentrate on more fruitful matters than board process and procedures. By stepping back, the Secretary of State will become the chair of chairs and gain valuable support through the departmental board. The board will be fully available to work through the challenges of policy delivery faced by the Permanent Secretary and the

department. Evidence-determined policy delivery is that much more likely an outcome through appointing independent chairs to departmental boards.

Action point 7: Appoint independent chairs to departmental boards.

E. Strengthening the Secretary of State

Civil servants and certain ministers consider that the Secretary of State has become too ‘managerial, giving too much time and attention to operational management matters. Involvement with the appointment of civil servants and being chair of departmental boards are repeatedly identified as time unproductively spent, thus undermining effective policy delivery. Previous study of the role and contribution of the minister as a leader supports the findings of this inquiry.⁹

The comment of the Secretary of State being too ‘managerial’ may give the impression that civil servants wish their minister to change. This is not the case. Civil servants emphasise that they do not wish their minister to adapt their style and approach in any way. Thus, in strengthening the Secretary of State the focus is on how the SpAd, chair, departmental board and the boards themselves as well as the Permanent Secretary and the department will continually strive to meet the minister’s goals.

I conclude that raising the chemistry factor issue to the level of organisation and systems, ‘through reducing transition time’, by relieving the Secretary of State from attending to managerial matters and board process and procedure, greater attention can be given to the detail and broader consideration of policy and its delivery. Through unburdening the Secretary of State from activities that deliver little value in an already demanding schedule, a better quality of dialogue can emerge that enables more drawing on evidence and speaking truth to power.

The Secretary of State can be more focussed on how policy can be better delivered through drawing together the different contributions of Permanent Secretary, departmental team, SpAds and departmental board. As chair of chairs, the Secretary of State will direct the activities and contribution of the Permanent Secretary and department. In so doing, the Secretary of State can actively draw on the bridging function of the SpAd to realise the

necessary engagement and commitment of critical parties to the agreed way forward. The Secretary of State is further guided by the chair of the departmental board, to surface concerns that could derail policy delivery. The chair will appropriately direct the board to exercise their governance oversight of all parties involved in policy delivery. As chair of chairs, the Secretary of State is strengthened by integrating these three inputs in a systematic and organised manner.

Action point 8: Strengthen the Secretary of State by a greater focus on policy and its delivery and less on distracting operational managerial matters.

Action point 9: Strengthen the Secretary of State through being the chair of chairs.

F. Role and contribution of the Cabinet Secretary

The Cabinet Secretary, Sir Jeremy Heywood, is held in the highest regard. His attention to the Prime Minister and cabinet, and his evident leadership of the Civil Service is matched by his responsiveness to facilitate positive engagement between the Secretary of State and Permanent Secretary. The present Cabinet Secretary is seen to have broadened the parameters of his role in order to address most concerns that can derail policy delivery.

The comment that 10% of Secretary of State/Permanent Secretary relationships have a dysfunctionality that could damage this relationship refers to his period of office. In contrast and from the accounts captured in interview and more informal discussions, I conclude that the belief that 53% of Secretary of State/Permanent Secretary relationships have a dysfunctionality that can damage the relationship is the norm. Thus, attention should be given as to how the succession of Sir Jeremy Heywood will be handled.

I recommend that a separate investigation be conducted examining in depth the role, support, constraints, contributions and value that should be delivered from the Cabinet Secretary. Such information is vital for effective succession. The prospect of undesired and unnecessary tensions in the Secretary of State/Permanent Secretary relationships is real. With greater insight into the shape, nature and breadth of the role of the Cabinet Secretary, such possibilities are minimised.

Action point 10: Undertake an in-depth analysis of the role and contribution of the Cabinet Secretary, highlighting the key capabilities required for high-level performance, and draw on such insights for succession planning.

G. Project tenure

Considerable progress has been made with the training of civil servants in project and programme management and leadership. The Masters programmes at Oxford and Cranfield are highly regarded. A new generation of civil servants with the necessary skills, discipline and finesse to lead through complex projects are increasingly available in the Civil Service.

The concern for greater project tenure of skilled experts is equally appreciated and this point is clearly appreciated by the Cabinet Office. Although it is acknowledged that little can be done in terms of remuneration, serious consideration is being given to enhancing civil servants' career progress through more prolonged tenure on projects.

Action point 11: Consider how tenure for key experts on projects can be lengthened.

H. Prioritisation

The issue of prioritisation has been raised by senior civil servants, Secretaries of State, junior ministers, NEDs, outsourcing agents and chairs and CEOs of arm's length bodies as a matter of priority. Despite being a continued point of discussion, little has been done to realise greater prioritisation and it is likely that this will continue into the future.

There seems to be no appetite for civil servants to give attention to the manifesto of each political party at the time of election.

Further, prioritisation seems only to be addressed when the pressures and demands confronting the Secretary of State demand attention. Additionally, attending to prioritisation seems to be less of a concern for the minister than for the other parties involved.

Action point 12: Prioritisation should be given attention only when there is a realistic appetite to do so.

I. Special political advisers: The bridge to the minister

The aggressive pursuit of the minister's interests by SpAds is reported as progressively becoming behaviour of the past. Currently SpAds are viewed as working far more in partnership with the Permanent Secretary in order to facilitate best value advice and direction to the minister. In effect, the SpAds who are highly regarded are recognised as providing a bridging function between the Secretary of State and the Permanent Secretary in order to successfully facilitate the minister's interests. The few SpAds that are considered as over-assertive in their approach are identified as a counterproductive influence on realising the minister's interests and objectives.

However, the relationship between SpAds and lower-level civil servants still remains an area of concern. The behaviour described by lower-level civil servants of certain SpAds borders on 'bullying' and is distinctly counterproductive in terms of utilising civil servants to their best. A number of interviewees recommended further strengthening the existing code of conduct of SpAds.

Having examined the code, I conclude that benefit will be realised by further codifying SpAd behaviour. In the pursuit of the minister's interests it is much more important that each SpAd considers how to draw greater contribution from civil servants irrespective of their seniority, through sensitive engagement and the building of trust. This study highlights that when civil servants feel engaged their contribution and its quality improves. A revised code should emphasise the gain for the Secretary of State through SpAds and civil servants having greater co-operation, building trusting and robust relationships and speaking truth to power. However, codifying such behaviour will have little meaning unless the Secretary of State and SpAds acknowledge the positive impact of forging collaborative relationships to provide a bridging function between the Secretary of State and the Permanent Secretary.

I consider that the SpAd provides an important contribution to the functioning of government. Thus, their development should not be left to the idiosyncratic experience of learning on the job. Appropriate development should be provided through designing a unique curriculum that allows for learning on how to engage in circumstances of continued misalignment, how to address the pressures facing the SpAd and how to master the capabilities that lead to a positive contribution. Whether such a programme is located in a National Institute for

Government or Leadership Academy depends on course content, availability of suitable faculty and broader policy considerations. I emphasise that the bridging function of the SpAd is an important and positive contribution to policy delivery.

Action point 13: Emphasise the value of collaborative relationships and the bridging function in the SpAds' Code of Conduct.

Action point 14: Both Secretary of State and Permanent Secretary acknowledge and reinforce through their practice the value of the bridging function provided by the SpAd.

Action point 15: Devise a programme of development for SpAds, focusing on the necessary capabilities for providing a bridging function.

J. Statement from the Prime Minister

The view held by certain Secretaries of State and ministers that civil servants delay, block or thwart the minister; have their own agenda; have loyalties that lie elsewhere; and use their position to frustrate negotiations is now only intermittently expressed. Although living with such negativities has not significantly impacted on the robustness and resilience of civil servants, I note that morale has been affected. Civil servants are no less willing to provide the best possible advice and service to their minister but a feeling of betrayal and of being undervalued has surfaced.

The negatives have largely ceased. However, there is an absence of the positive.

Action point 16: The Prime Minister make a statement supporting civil servants, their contribution and their unwavering loyalty to deliver on the government's agenda.

K. Leadership development

I conclude that civil servants are intelligent, hardworking and dedicated, display impressive capabilities, are able to work through demanding complexities and are noted for their integrity, dedication and unwavering commitment to the minister and to the values of the Civil Service and of public service. This study highlights civil servants as leaders of

considerable ability and merit. Certain current discussion on the future leadership development of civil servants is focussed on the importance of behaviour. Civil Service behaviour as the platform for leadership development is not supported by the findings of this study. Civil servant behaviour is not the issue.

The critical leadership challenge to address is how to better work through the complexities of policy delivery reconciling different interests and concurrently winning the trust of the Secretary of State and junior ministers. Also noted is that with each new Secretary of State/minister, senior civil servants need to change their approach to effectively build that relationship.

The focal point for leadership development is what action to take and argument to put forward in circumstances where there is little or no guidance. Thus, how to lead through complexity and select the best pathways to pursue it is up to each civil servant's discretion. How to be effective needs to be rethought circumstance by circumstance. The mindset and qualities required for discretionary leadership should be central to the future development of civil servants. The exercise of discretionary leadership requires a sharp intellect to effectively draw together contrasting opinions and data in order to make a compelling case concerning ways forward. Further the leader needs to develop a sensitivity to others and their circumstances in order to realise engagement with different stakeholders who pursue contrasting interests. The challenge is to do all this and still be respected and seen as authentic.¹⁰ The combination of intellect, behaviour and personal qualities needs to change according to the circumstances at hand. As circumstances change, the civil servants need to adapt their approach. So, self-confidence coupled with flexibility and humility are additional key ingredients to discretionary leadership. In my experience, sound discretionary leadership depends on a person being neither over- nor underwhelmed by the complexity of their role.

Action point 17: Consider discretionary leadership as the basis for the leadership development of civil servants.

L. Future studies

Future investigations into Civil Service functioning, capability and leadership need to take a broader perspective and include the dynamic nature of their minister's role, contribution and

behaviour. The key finding of this study is that the Secretary of State/Permanent Secretary relationship is deeply intertwined, powerfully impacting on policy delivery, the morale of civil servants and the gaining or losing of trust from external stakeholders. Such broader analysis will highlight how to enhance the credibility of the Secretary of State and minimise unwelcome comment.

The tension between the Secretary of State and Permanent Secretary is viewed as normal. All hinges on how that relationship is handled. The chemistry between the Secretary of State and Permanent Secretary shapes whether the tension is dealt with productively or undesired outcomes are the result of dysfunctionality in the relationship.

The priority is that the Secretary of State's political imperatives are realised. On this basis, future studies should give some attention to the dynamism and capability of both Secretary of State and Permanent Secretary in order to better understand how to improve policy delivery.

Action point 18: Future studies of Civil Service capability, constitution and practice should involve broader considerations, including the impact of and intervention with ministers, for to not do so may provide a distorted picture of reality.

Conclusion

The original guiding question of 'Is the Civil Service fit for purpose?' was recognised as inappropriate early on in this study. Although the overarching impact of the chemistry between Secretary of State and Permanent Secretary was not clear at that early stage, it was recognised that the study needed to broaden in order to take into account the reality of the minister's contribution to policy delivery. Thus, and as stated in the introduction, the guiding question became 'Is government fit for purpose?'

The revised guiding question allowed for a broader capture of insights and experiences from various different parties. The chemistry between Secretary of State and Permanent Secretary became central to the findings and recommendations offered in this study. I consider that an appreciation of the psychology of dyadic relationships and small group interaction is as

important to determining successful policy delivery as is an understanding of political science and public policy.

Despite the recognised capabilities of Secretaries of State, Permanent Secretaries and senior civil servants, addressing the chemistry factor remains at the personal level and is currently, at best, sub-optimal in terms of policy delivery.

The challenge is to elevate the chemistry factor from the personal level (Permanent Secretary to Secretary of State) to the level of organisation and systems. In this way and over time, a more mature conversation of this critical dyadic relationship can take place, leading to minimising the dysfunctionalities that could damage the relationship, enhancing morale, reducing the toxicity of culture that can arise, enhancing the sense of responsibility and accountability in civil servants, SpAds, and departmental board directors and through so doing, improve delivery of policy through strengthening the Secretary of State.

What started as an inquiry into Civil Service effectiveness has become a statement on how the Secretary of State can be better positioned to deliver policy for the public good. In one sense there has been no departure from the core responsibility of the civil servants to steadfastly serve the minister. The contribution of this study is to show how this can be better done.

March 2018

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Inquiry participants

Formally 81 interviews were undertaken. However, a considerable number (60 or so) of informal conversations and encounters also took place supporting and challenging the views and comments expressed in interview. The informal encounters provided as valuable evidence and insights as did the formal interviews.

No distinction is made between each of the listed individuals current role, previous experience or whether each is a member of or has left government service. The reason is the quality and openness of dialogue that took place. Even for those no longer in post, the views expressed and the insights offered were as if they had been in post today. Hence, the role title and status identified for each study participant is the one central to their contribution to this inquiry.

Debbie	Alder	Director General HR
Sarah-Jayne	Allen	Fast Stream, Civil Service
Rosemary	Ash	Fast Stream, Civil Service
Christopher	Aspinall	Department for Work and Pensions (Manchester)
Richard	Atkins	Further Education Commissioner
Grace	Baxter	Fast Stream, Civil Service
Sir David	Bell	Vice Chancellor, University of Reading
Nick	Borwell	Director of Project Delivery, Profession Standards, Infrastructure and Projects Authority
Baroness Virginia	Bottomley	Secretary of State
Barbara	Bradley	Serco
Christian	Brodie	Student Loans (arm's length body)
Sir Ian	Cheshire	Lead Independent Director, Civil Service
Alex	Chisholm	Permanent Secretary
Lucy	Christofides	Department for Work and Pensions, UC Service Centre (Bolton)
Mike	Clancy	Prospect
Matthew	Coats	Director General, Chief Operating Officer,

		Corporate Services Group
Neil	Couling	Director General, Universal Credit
James	Cross	Natural England (arm's length body)
Melanie	Dawes	Permanent Secretary
Aimee	Demicoli	Fast Stream, Civil Service
Neil	Deuchar	Medical Director
Sir Robert	Devereux	Permanent Secretary
Chris	Donnelly	Statecraft (arm's length body)
George Iain	Duncan Smith	Secretary of State
Shona	Dunn	Cabinet Office
Baroness	Finn	Special Political Adviser
Simone	Foster	Chief Operating Officer, Home Office
Stephanie		
Michael	Gove	Secretary of State
Sue	Gray	Director General, Propriety & Ethics
Lord Peter	Hain	Secretary of State
Sir Nick	Harvey	Minister, Shadow Secretary of State
Sarah	Healey	Director General, Department for Exiting the European Union
John	Healey	Minister of State; and Economic and Financial Secretary to the Treasury
Richard	Heaton	Permanent Secretary
Patricia	Hewitt	Secretary of State
Margot	James	Minister
Bernard	Jenkin	Chairman, PACAC
Bernadette	Kelly	Permanent Secretary
Lord Bob	Kerslake	Cabinet Secretary
Paula	Leach	Chief People Officer, Home Office
Sir Leigh	Lewis	Permanent Secretary
Stephen	Lovegrove	Permanent Secretary
Simon	MacDonald	Odgers Berndston
John	Manzoni	Chief Executive Officer, Civil Service
Lord Francis	Maude	Minister

Rupert	McNeil	Chief People Officer, Cabinet Office
Julian	McCrae	Institute for Government
Tony	Meggs	Chief Executive Officer, Infrastructure & Projects Authority
Penny	Mordaunt	Secretary of State
Claire	Moriarty	Permanent Secretary
Professor Leo	Murray	Arm's length body
Baroness Lucy	Neville Rolfe	Minister
Sir David	Normington	Permanent Secretary
Richard	Nugee	Chief of Defence, People, Ministry of Defence
Dame Una	O'Brien	Permanent Secretary
Nana	Oparaocha-Kelly	Fast Stream, Civil Service
Sue	Owen	Permanent Secretary
Mike	Parsons	Director General, Capability & Resources, Home Office
Suleman	Patel	Team Leader, Department for Work & Pensions
Dave	Penman	General Secretary, FDA
Steve	Radcliffe	Coach
John	Redwood	Secretary of State
Jack	Richardson	Government Recruitment Service (Newcastle)
Harry	Richardson	Fast Stream, Civil Service
Lord Peter	Ricketts	Permanent Secretary
Angie	Ridgwell	Director General, Corporate Services
Alice	Rodgers	Fast Stream, Civil Service
Charles	Roxburgh	Permanent Secretary
Sir Philip	Rutnam	Permanent Secretary
Jaee	Samant	Director General, Market Frameworks, BEIS
Andrew	Sells	Natural England (arm's length body)
Jonathan	Slater	Permanent Secretary
Daniel	Slater	Fast Stream, Civil Service

Ed	Smith	Chairman, NHS Improvement
Michael	Spurr	Chief Executive Officer, National Offender Management Services Agency
Christine	Tacon	Groceries Code Adjudicator
Megan	Vandome	Deputy Director and Capability Lead, Infrastructure and Projects Authority
Mervyn	Walker	Non-Executive Director, Civil Service
Tracey	Walotho	Director General, Cabinet Office
Ian	Watmore	First Civil Service Commissioner
Sir Chris	Wormald	Permanent Secretary