

Sir Amyas Morse Valedictory Interview with Civil Service World

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After 10 years scrutinising government accounts and trying to stop departments from squandering taxpayers' cash, the comptroller and auditor general Sir Amyas Morse is standing down from the National Audit Office. Jess Bowie meets him.

A few months ago Sir Amyas Morse was at the English National Opera, shuffling through a crowd of people on the way to take his seat. Suddenly someone said to him: "I know who you are. I recognise your voice." Understandably, he was taken aback. "You can imagine what I thought – I'm a Londoner, what do you think I thought? Anyway, I turned around and there's some person, and he said to me, 'I'm a parliament channel viewer'. And I thought, 'Wow, this must be a very small fan population...'"

Morse's admirer is clearly a true believer, given that the head of the National Audit Office speaks far less than the MPs he sits alongside during the Public Accounts Committee's televised hearings. Then again, Morse does have a distinctive timbre. He compares himself to a crow – repeatedly squawking about foolish spending decisions until government departments listen – but his speech is rich in tone, with the kind of avuncular received pronunciation (belying a Scottish upbringing) that wouldn't go amiss on an audiobook.

But the reassuring voice is at odds with the message it conveys. Morse is a man whose job is, in his own words, to be disobliging and point out inconvenient truths. As Bo Diddley – one of Morse's favourite musicians – said, you can't judge a book by the cover.

CSW meets Morse as he prepares to step down, aged 69, as comptroller and auditor general. After a distinguished private sector career and a decade at the helm of the public spending watchdog, he is not quite sure what the future holds. (Instead of "gradually drifting off into the sunset", though, he is trying to find new things to do: "I like to work," he says.)

What will his legacy be?

"I think I've had some impact on the way government does business. I can't say exactly what, because mostly we're in the assist position, rather than the goal scoring position. And that's as it should be. But I think the fact that we've emphasised the same things about making decisions based on evidence – over time that's had some influence. I think I can see that has worked.

"I don't really think in terms of legacy at all, if I'm honest with you. But my main legacy is actually the NAO. The NAO is a great organisation, and it's in very good shape. And I've had a lot to do with bringing people through here, all through the organisation, and I'm thrilled about that. I don't want them to be thinking about legacy, though. I just want to be thinking about going forward."

Ten years spent examining the workings of government at close range has put Morse in a good position to observe what has – and hasn't – changed.

“Because I have got very, very significant information access powers, then I do see things at first hand. And I can honestly say that the professionalism of the civil service has improved over that period of time,” he says.

Permanent secretaries have changed too. Morse says he finds himself talking to an increasing proportion of perm secs “who are interested in making what they’re in charge of work better”.

“You might think, ‘surely that’s what everybody thinks?’, but I don’t necessarily think that’s the traditional attitude of an old-style permanent secretary... There’s a difference between administering, and driving forward and upward. And I see much more of [the latter].”

Morse on... The Treasury

The Treasury teams review spending on projects and programmes. They’re the only people who’ve got the authority to stop funding something, to inhibit the funding, and therefore they also need to take on responsibility for asking about value for money. I know the Treasury is starting to go in that direction.

[Asked if he is optimistic the recent Barber Review and new public value frameworks will actually make a difference] Yes, I am. The reason I’m optimistic is because I’ve got a very high opinion of [Treasury perm sec] Tom Scholar. And he’s personally told me that they’re serious about this.

Why, then, is so much public money being wasted on ill-conceived projects that either come in over budget and behind schedule – or go off the rails completely? In the last few months alone, the NAO has issued damning reports on the Ministry of Defence’s handling of Army recruitment contracts, efforts to prepare the UK border for Brexit, smart meters, and Crossrail.

Of course government cockups can have multiple causes. Unrealistic timescales, a culture of overoptimism in departments, the nature of the news cycle. “If you’re a minister, announcing: ‘I’m gradually building on the achievements of my predecessor’ won’t get you an awful lot of news coverage,” Morse points out with a smile. “‘I’ve decided not to initiate any new projects, because it would be a waste of money. I’m just going to steadily move forward with the ones that are there already.’ I’ve never heard that in my life! I’d love it if there was more of that, but we don’t have the system set up that way.”

But CSW is keen to discuss one particular obstacle to getting value for money that Morse has identified: the relationship between ministers and their accounting officers. During a valedictory event at the Institute for Government in March, Morse said that with the improvement in civil service skills he has seen, he would not expect things to still be going wrong so often. He implied that a key reason for the persistence of costly government blunders was the minister-accounting officer relationship itself.

“Yes, that’s what I intend you to take from it,” he says today. “Make no mistake. I really think that there’s a difference of interest between the person whose job it is to implement something successfully and the person who’s got a bright idea, or maybe even a brilliant

policy initiative, but who's primarily not concerned with the practicalities of implementing it."

What's worse, he continues, is when ministers think that they do know how to implement policy ideas, and that officials just need to "do what they're told, and then everything will be perfect".

"You may be a brilliant person, but unless you've had a background in project management and planning, you're not actually qualified to give detailed instructions on how a project should be implemented. And you're not supposed to be doing that. The whole accountability system is not based on ministers deciding that sort of thing, because when it goes wrong, the people who are held to account by the accountability mechanism are the civil servants who are supposed to be running it. So it really doesn't work well. And yes, I think that's a significant contributory factor."

He's seen the balance tip too far in favour of ministers, he says, recalling conversations he had with the Tory reformers Michael Gove and Francis Maude a few years ago.

"They really, really felt that the problem was that the civil service was going to get in the way of things and that's why they deliberately set out to have more power over the civil service. I mean, ministers didn't used to be involved in the selection of permanent secretaries. And changes like that were done on the general proposition – not based on any research that I could detect! – that this was the problem. That civil servants would be obstructive about reform that needed to go forward.

"Now, in one way, I can understand where they're coming from – they've spent years thinking about [their policies and reforms] and really want them to go ahead. And then having to take it very slowly, because departments can't manage to move very fast. It's very frustrating. But the answer isn't: 'Let's just lean over the shoulder of the driver, and push the accelerator.' That really can lead to things going badly wrong."

"Civil servants didn't create the current circumstances. They're trying to do things in impossibly short periods of time. And actually they've made a pretty big effort at it"

Morse told the IfG he would like it to be clearly drawn up that ministers are there to set policy, rather than be chief executives. He also wants to see ministers hand some of the power they have accumulated back to accounting officers. Their incentive to do so would be better decisions. He holds up the coalition as a period of "balance and control". Better decisions were made because ministers knew they would be in post for longer, and the civil service, instead of "tearing from one emergency to another", was provided with an agreed programme for government, which got followed through methodically.

How different that was from today. Amid the chaos over Brexit at Westminster, and an unprecedented lack of direction for civil servants, what message does Morse have for officials in 2019?

"What I would say to them, first of all, is I think they've worked really, really hard during this period. I take my hat off to them for that. And in writing reports on Brexit, I have deliberately put a kind of reverse health warning in there – a statement from me saying I

realise that these civil servants didn't create the circumstances. They're trying to do things in impossibly short periods of time. And actually they've made a pretty big effort at it.

“So if I point out that things aren't all perfect, it's not a reflection on the way they've done their job, it's a reflection on the situation they're in. But I think this has also enabled us to see a number of important lessons. One of them has been that the internal secrecy about what we were doing to prepare for Brexit was almost entirely counterproductive. Once we'd actually exercised Article 50 and the Department for Exiting the European Union was in place, there was an extremely secretive regime clampdown on everything, such that when we published bits of work, civil servants were reading our reports to find out what was happening about Brexit.

“And this was on the general theory that the people we were negotiating with in Europe might find out things about our approach that they didn't already know from being closely associated with us for 40 years. So, you know, I deliberately worked to improve the information that parliament had, because they were being asked to make enormous decisions and they needed to understand those decisions.”

Morse says he “had no concern with the principles of Brexit or the policy decisions”, but wanted to ensure MPs understood the UK's state of preparedness. “So [we looked at things like] the state of the border, the state of food regulation and all of that, so they could understand the implications if they did decide to do certain things. I thought that was within our remit, and I still do.”

Morse on... the Windrush scandal

I found our report on Windrush one of the most upsetting. It's quite legitimate to want to make things difficult for illegal immigrants, but not to think about hundreds of thousands of people who are here legitimately, who are subject to the same regime of not being able to necessarily get a job or rent property or things like that? I find that pretty upsetting actually. I totally understand that the Home Office has really hard things to do. But when you're running very big programmes that have been going on for many years [...] you have to watch how the culture can develop. It doesn't mean that the people concerned aren't good people, it just means you have to work to correct what will inevitably happen.

Looking back on the NAO's achievements under his tenure, Morse has said he is most proud of the work the watchdog has done to highlight the wider interdependencies between different parts of the public sector. With healthcare, for example, it's now taken as read that the primary care system should be viewed as running across local government and the NHS, but that wasn't the case when the NAO started talking about this. “Let's say I'll take shares in developing that view,” Morse told the IfG, saying that the NAO is “at its most useful when we point out things like that”.

Yet embedding the principles of value for money across Whitehall is an uphill battle – and the NAO has by no means been able to secure all the changes it says are needed to stop taxpayers' cash being wasted. Morse says he is like a squawking crow – but is he more of a Cassandra? He has said more than once that his organisation keeps having to return to the same departments to point out the same old problems. Does this fact alone not mean that the NAO is somewhat impotent?

“Well, you wouldn't expect a guy of my age to comment on impotence...” he says with a big laugh. “Ha – he's looking horrified!” he adds, gesturing to the blushing NAO press officer across the table from him.

“But what I would say is this: we're not in charge of the government. All I can do is point things out. And I do get to point things out quite a lot. In other words, if a department is not paying attention to a fundamental mistake they keep making, we keep on drilling at it. About 90% of the recommendations attached to our reports are accepted. They mostly get taken into the recommendations of the Public Accounts Committee. And government has to give a formal response and agree to implement.

“And I totally take my hat off to [PAC chair] Meg [Hillier]. She runs a very good grinding mill of calling people back and saying” – Morse knocks the table three times with his knuckles – “‘Why haven't you done this?’ So on one level, I will say yes, I know we're effective. Because we've got a means to be effective by driving the recommendations through into government.”

If the recommendations are then ignored, this is not the NAO's fault, Morse says. “If I give you better information, and you say, ‘I don't care about that. I'm going to do it my way,’ [the risk of things going wrong increases]. And I'm afraid currently decisions like that are getting made. That's why I'm calling them out.

“As to the Cassandra thing, sometimes I do feel like Cassandra, of course that's true. Sometimes I think: ‘I've said this lots of times, is it really having an effect?’ Then sometimes you put your hand on a wall, and the wall falls down. Sometimes I have conversations with senior officials where they totally get it, and you feel we've really moved things on a lot.

“You have to be patient in my job, and you need a long time in the job to keep on pressing, pressing, pressing. Overall, yes, we're effective. But we're not part of management, we're there primarily to help parliament hold to account. And it's the holding to account that provides a lot of the pressure.”

After years of pressing, pressing, pressing, Morse has indeed gone a long way in establishing the NAO as a force for change. But some fear that his successor Gareth Davies, a partner at the audit and advisory firm Mazars, will be more “small c” conservative in his approach and pull things back. Conspiracy theorists even say that’s why he’s been appointed, because it’s more acceptable to the Treasury to have someone who will be less critical.

Has Morse secured sufficient momentum that his successor will have no choice but to continue his work of trying to maximise value for money, whatever the Treasury thinks?

“The answer to that is, first of all: everybody will do this job in a different way. But I have a fantastic team, all steamed up, all going, all going, all going. And everything I hear about Gareth is that he is absolutely looking forward to being part of that team and to leading it. So there’s no reason to think any of these things, in my view.”

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The crow won’t be silenced?

“I’m sure he’ll liken himself some more elegant thing. Crow is my totem. I’m sure he’ll pick something else. But no, no, no, come on, it’s not like that. None of those dramatic conspiracy theories are right.”

Morse has already said he plans to stay busy after he stands down at the end of May, but CSW wonders whether his family (he is based between London and Suffolk) is looking forward to seeing a bit more of him.

“You’d have to ask them!” he says, grinning. “It will be an interesting transition to suddenly appear at home and say, ‘Oh, you remember me? Here I am. I’m the one who turns up at the weekend.’”

One assumes he’ll also have more time for listening to music – he nominated the avant-garde singer St Vincent to turn on his town’s Christmas lights in CSW’s most recent perm secs’ round up – and for reading. Margaret Atwood is his favourite author, although he’s currently working his way through Pakenham’s history of the Boer War. And if poring over the details of a costly campaign characterised by over-optimistic leaders and embarrassing blunders doesn’t feel very escapist, there’s always the opera – as long as he can hide from those parliament channel viewers.

Morse on... whether the NAO should do pre-scrutiny of projects

To some extent we do. When I started this job, we were mostly doing a kind of post-mortem service. Nowadays, [we look at] past, present, future. Past is where we started out, and it's still necessary to do that sometimes. Present is: a lot of failure gets built into projects at the beginning, by making the wrong assumptions about how much it will cost, how fast it can be done, what skills you need to run it – nearly always optimistic assumptions in all those categories. So we intervene a lot trying to assess the start of things, where you can really save some money. And then the future piece is making sure you look at the planning. Because if I've got a project that I'm starting up, and I really don't have the budget for it for the next three years, but I'm going to blind ahead with it anyway, what will actually happen is either I won't have enough resource to do it properly, or it'll be uncertain as it moves forward, and that destroys a lot of value. Or, just as bad, it will displace other activities in the department that should be happening [...] That's why I'm making a fuss about long-term planning.