



House of Commons
Public Administration Select
Committee

Who's accountable? Relationships between Government and arm's-length bodies

First Report of Session 2014–15

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to the report*

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The Public Administration Select Committee (PASC)

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Summary

The controversy around the Government's handling of flooding last winter showed that arm's-length Government is confused and opaque. Organisational forms and names are inconsistent. Most public bodies answer to Ministers but some are directly accountable to Parliament. There is no agreement on how many types of body exist. There are overlaps and blurring between categories. Accountability arrangements and reforms so far have been ad hoc.

The Government has reviewed non-departmental public bodies, but it should review all forms of arm's-length Government, including executive agencies and non-ministerial departments. The Government should establish a clear taxonomy of public bodies: constitutional bodies, independent public interest bodies, departmental sponsored bodies, and executive agencies. All public bodies should sit in one of the categories, so that it is clear how each is to be governed and sponsored. This is essential in order to clarify who is accountable for what. This would promote understanding of what is expected of relationships and explain the rationale for locating functions in particular organisational forms. Up to date, plain English statements of statuses, roles and relationships are needed even if the underlying arrangements are complicated. This is far from the reality in many cases, particularly in the NHS. With a budget of £95.6 billion NHS England is now by far the largest public body in England and its accountability should not be in any doubt, but it is still evolving. There is insufficient understanding across Government about how arms-length Government should work.

How individuals are appointed to the boards of public bodies also remains in many cases obscure. So is the basis for deciding whether or not to reappoint a person, as the controversy surrounding the departure of the previous Chair of Ofsted demonstrated. Ministers should make it clear at the outset whether an appointment is intended to be for one or more terms. In addition to listing those appointments which are regulated by the Commissioner for Public Appointments, Government should publish a list of unregulated public appointments, and set out why some appointments are regulated and the rest are not. The Chair of the Public Works Loan Board had to resign as a result of a failure of scrutiny of his appointment. The Government and the Commissioner for Public Appointments should clarify who is involved in a public appointment, at what stage, and whether they advise or decide.

Accountability does not just depend on organisational form, but above all on relationships based on trust, openness and mutual support between those in the sponsoring department and the leadership of the public body. The Government has implemented significant reforms but its approach so far has been limited, based on a transactional notion of accountability, without enough emphasis on the human factors that contribute to the success of arm's-length bodies.

In the next stage, with the taxonomy of public bodies clarifying accountability structures, the reform agenda can then concentrate on training and learning to improve sponsorship of, and leadership in, public bodies. The Cabinet Office cannot micromanage public bodies, but can improve sponsorship skills in the Civil Service and leadership in public bodies by promoting good practice and highlighting examples of success. The Civil Service must motivate and educate talented people in this important work, and ensure that sponsorship is managed at the right level in departments. This is above all how to improve efficiency, transparency and accountability in public bodies.

1 Introduction

1. An arm's-length body is an organisation that delivers a public service, is not a ministerial government department, and which operates to a greater or lesser extent at a distance from Ministers. The term can include non-departmental public bodies (NDPBs), executive agencies, non-ministerial departments, public corporations, NHS bodies, and inspectorates (see Annex for more information). We consider these and also public bodies which are accountable to Parliament. We do not include major government functions which are contracted out to commercial providers, like Ministry of Justice contracts with Serco and G4S, which we considered in our report on procurement and contracting.¹ The public servants who work for arm's-length bodies perform essential roles and we took evidence that confirms that most are highly effective.² Nonetheless, they are often criticised for being unaccountable.³

2. This inquiry follows our 2011 Report *Smaller Government: Shrinking the Quango State*.⁴ That report found that the 'bonfire of the quangos' was poorly managed, and we expressed doubt as to whether accountability would be improved by moving functions in-house.⁵ The prompt for this latest inquiry was criticism of the Environment Agency in early 2014 as a result of the floods crisis. During the winter of 2013 to 2014 the UK was severely affected by an exceptional run of winter storms, culminating in serious coastal damage, and widespread, persistent flooding. The Agency's management of this flooding prompted a debate about its role, relationship to Ministers, and the powers and accountability of public bodies. The Secretary of State for Communities and Local Government, Eric Pickles MP, told the House of Commons there were "lessons to be learned [on] the role of quangos and the need for their local accountability."⁶

3. In relation to public bodies, being accountable in practice means taking responsibility for work; examples of accountability mechanisms include:

- Responding to Parliamentary questions;
- Giving evidence before select committees;
- Pre-appointment and post-appointment hearings by select committees;
- Publishing or laying before Parliament an annual report and accounts;

1 Public Administration Select Committee, Sixth Report of Session 2013-14, [Government Procurement](#), HC 123

2 Q27 [Professor Skelcher]

3 For example, Q5, Q101

4 Public Administration Select Committee, Fifth Report of Session 2010-11, [Smaller Government: Shrinking the Quango State](#), HC 537

5 As above

6 HC Deb, 6 February 2014, [col 445](#) [Commons Chamber]

- Publishing a register of members' interests;
- Agreeing strategic objectives and performance targets and corporate plans with the sponsor department;
- Holding board meetings in public and making minutes available;
- Media appearances and answering journalists' questions; and
- Listening to the views of the public and stakeholders, and taking these views into account.

4. Written submissions and transcripts of our four oral evidence sessions are available on our website at www.parliament.uk/pasc. We are grateful to all those who gave evidence and to our Specialist Adviser, Professor Matthew Flinders of the University of Sheffield, for his help with this inquiry.⁷

5. Tensions can exist between Government and public bodies (Table 1).

Table 1: Accountability tensions between public bodies and Government

Greater focus if a function is performed in a separate body	⇔	Greater potential for coordinated working if a function is performed in a central government department
Public bodies take responsibility for their own work in the event of failure	⇔	Greater ministerial control if a function is performed centrally
The desire for simplicity and greater public understanding	⇔	Adapting to the particular circumstances and complexities of a sector
Strong and close relationships between central government departments and public bodies	⇔	Seeking challenge and scrutiny
Having expertise and specialists in public bodies	⇔	Retaining expertise in departments, so that Ministers are well informed

6. Accountability tensions must not be increased by transactional and procedural relationships. We are calling for a more professional and transparent approach to the management of the state beyond departmental borders. Functions carried out by the state should be accountable to Ministers and through them to Parliament. The Government must ensure public bodies make available clear information to enable

⁷ Professor Flinders was appointed as a Specialist Adviser for this inquiry on 24 June 2014. He declared the following interests: Trustee and Chair, Political Studies Association, and Director, Understanding Politics Ltd.

democratic scrutiny and to counter the disillusionment that stems in part from a lack of understanding of who is accountable. Our recommendations aim to improve transparency and the public and Parliamentary understanding of arm's-length bodies. This would make for better scrutiny, stronger accountability, and assurance that arm's-length bodies are carrying out their functions as intended, meeting their aims, and achieving value for money.

2 Public bodies in the UK: a taxonomy

7. Opinions differ on the number of different types of public body. The Institute for Government told us there are at least 11.⁸ The National Audit Office reported in February 2014 that the Government had so far achieved a major simplification of the system of public bodies, but that even after all planned reforms have been completed, the system will still be complex.⁹ And confusing: discussion about public bodies is made all the more confusing by inconsistency in the use of language, as we concluded in 2011.¹⁰ During this inquiry, the then Minister for Civil Society, Nick Hurd MP, acknowledged:

We are still left with an ecosystem of classifications and blurred lines between them that need further clarification.¹¹

8. According to the Cabinet Office, policy responsibility for the governance and accountability structures of non-ministerial departments, executive agencies and non-departmental public bodies (NDPBs) has been consolidated in a single team.¹² However, policy for machinery of Government changes and policy for public appointments are held in separate Cabinet Office teams, and financial and Accounting Officer policy remains with HM Treasury.¹³

9. Nick Hurd MP recognised that “the system is full of anachronisms and anomalies”.¹⁴ There are irregularities in what type of body performs which function, and in what they are called. Some bodies are classed as being of more than one type: Ordnance Survey is a non-ministerial department with executive agency status.¹⁵ Some bodies, such as the Big Lottery Fund, report to more than one government department.¹⁶ The Environment Agency is not an executive agency as its name would suggest, but in fact an NDPB. Tom Gash of the Institute for Government said this was “odd” and “confusing”.¹⁷ The de facto and de jure statuses of public bodies sometimes differ.¹⁸ For example, the Environment Agency’s recent triennial review concluded that oversight of the Agency was now the same as for an executive agency. The Care Quality Commission (CQC) and Ofsted are both inspectorates. The CQC inspects health and social care services in England, and Ofsted performs a

8 Institute for Government (QPD9)

9 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

10 Public Administration Select Committee, Fifth Report of Session 2010–11, *Smaller Government: Shrinking the Quango State*, HC 537, March 2011

11 Q398

12 Cabinet Office (QDP14)

13 Cabinet Office, *Public Bodies Reform Strategy Document*, July 2014

14 Q 404 [Nick Hurd MP]

15 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

16 The Cabinet Office and the Department for Culture, Media and Sport

17 Q9

18 Qq 151–155 [the UK Border Agency was described by Rob Whiteman as having officially been an executive agency but unofficially part of the Home Office]

parallel role inspecting children's services.¹⁹ However the CQC is an NDPB, and Ofsted is a non-ministerial department. The reasons for this difference are not clear.²⁰ It is also not clear to what extent each is intended to be under the influence of the minister in order to support government policy, or independent of ministerial influence in order that its regulatory functions are not seen as subject to political influence.

10. The National Audit Office has stated that there is little consistency in the way government departments delegate their functions to public bodies:

For example, the Department for Work and Pensions has abandoned the use of executive agencies and has brought those bodies, largely as they are, into the Department as business units. By contrast, the Department for Education has merged seven of its [NDPBs] into three new executive agencies.²¹

In practice, the difference is managerial rather than functional, as Professor Skelcher, Dr Dommett and Dr Tonkiss of the Universities of Birmingham and Sheffield explained. Ministers and departments have much greater control over the organisation and management of executive agencies because they do not have a basis in statute, unlike NDPBs.²²

11. 'Public Bodies', an annual Cabinet Office publication, is welcome but falls short of a 'directory' or 'census' of Government, Professor Skelcher told us.²³ The Whole of Government Accounts show in a single document the overall financial position of the UK public sector, and are a key means for holding Government to account.²⁴ There is no clear, simple map of the state, of central government departments and its arm's-length bodies.²⁵ Even though the Cabinet Office is adding executive agencies and most non-ministerial departments to the publication 'Public Bodies', some bodies, such as HM Revenue & Customs, remain excluded.²⁶ Our predecessor Committee argued as long ago as 1999 and 2001 that it would be valuable to consider the UK's system of arm's length governance as a whole.²⁷ The 1999 report concluded that the digest should contain how much public money each organisation spends and the origin of these monies, its legal status and the department which sets policy for it, details of appointments, and what information each organisation publishes.²⁸

19 Q7 [Professor Skelcher]

20 Q8 [Professor Skelcher]

21 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

22 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

23 Qq18, 45

24 Report of the Comptroller and Auditor General: [Whole of Government Accounts 2012-13](#), June 2014

25 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

26 Cabinet Office, [Public Bodies Reform Strategy Document](#), July 2014

27 Public Administration Select Committee, Sixth Report of Session 1998-99, [Quangos](#), HC 209-I (including HC 1118), and Public Administration Select Committee, Fifth Report of Session 2000-2001, [Mapping the Quango State](#), HC 367

28 Public Administration Select Committee, Sixth Report of Session 1998-99, [Quangos](#), HC 209-I (including HC 1118)

12. The Government has adopted the idea we proposed in 2011 that the next development in reforming public bodies might include a taxonomy setting out their types and characteristics. The Government's Response to our 2011 report agreed that "the landscape [is] chaotic and confusing, as the Committee rightly points out".²⁹ Nick Hurd MP told us in July 2014 that the "next phase" of reform "must be about pursuing greater simplification".³⁰ In autumn 2014 the Public Bodies Reform Team in the Cabinet Office was undertaking a review of the classifications used, "to ensure it remains fit for purpose".³¹ There are arguments for a taxonomy as an aid to public and internal understanding about what is expected of relationships and this is essential for accountability.³² The Institute for Government has long argued for "a more rational taxonomy of arm's length bodies, which would closely match an organisation's form and governance to its function".³³ In 2010 it suggested the taxonomy shown in Table 2. Other written evidence, however, urged caution in reducing variety.³⁴ The world is complicated, and so are public bodies, argued Dr Muiris MacCarthaigh of Queen's University Belfast and Martin O'Halloran, Chair of the Irish Association of Chief Executives of State Agencies:

Diversity is an essential element of the state agency sector, and the ability to tailor structures [...] in order to achieve policy goals is an asset of the Irish administrative system.³⁵

Table 2: One possible taxonomy of arm's-length bodies³⁶

Functions	Form
Constitutional oversight	Constitutional bodies
Regulatory regime setters Guarantors of standards Independent watchdogs	Independent public interest bodies
Discretionary grant-giving Discretionary enforcement and inspection Stewardship of national assets	Departmental sponsored bodies
Delegated implementation of government policy	Executive agencies
Developing government policy	Core departments

13. Accountability for arm's-length bodies is confused, overlapping and neglected, with blurred boundaries and responsibilities. A taxonomy would simplify and rationalise the structure of the state.

29 Government Response to the Public Administration Select Committee Report [Smaller Government: Shrinking the Quango State](#), HC 537, March 2011

30 Q396

31 Cabinet Office (QPD14)

32 Coal Authority (QPB7), Institute for Government (QPB9)

33 Institute for Government (QPB9)

34 Dr Muiris MacCarthaigh and Martin O'Halloran (QPB6)

35 As above

36 Institute for Government, [Read before burning: arm's length government for a new administration](#), 2010, p14

14. We recommend the Government adopt a taxonomy of public bodies such as that proposed by the Institute for Government but with more detail to provide for all circumstances, which sets out the legal status of each type and how it is held accountable. All public bodies should be included in one or other category. There should be consistent naming conventions. This simple step, which would improve transparency and accountability, should accompany a new online 'Directory of Governance' of annual reports, budgets, minutes of meetings, and other information of value to the public. There is a huge opportunity for the Government to make the British state more transparent and understandable.

3 The Government's public bodies reforms to date

15. The intended outcome of the Government's ongoing reforms is to make arm's-length bodies "leaner, more efficient and more accountable".³⁷ Additional aims cited in the Government's public bodies reform strategy include effectiveness, clear purpose, and making a contribution to economic growth.³⁸ The Minister for the Cabinet Office, Francis Maude MP, reiterated in March 2014 that the main aim of the reforms was accountability:

A major part of the programme of public bodies reform has been bringing policy functions back to the Government in a way that provides direct accountability to Parliament through Ministers. That is a big part of increasing accountability, but the secondary purpose of the reform of public bodies has been to save money.³⁹

The National Audit Office found that annual administrative spending reductions achieved by public bodies were an estimated £723 million in 2012-13 compared with 2010-11.⁴⁰

16. Professor Skelcher told us that, through its reforms, the Government has shown that its approach to the governance and accountability of public bodies is more serious than in the past, but Tom Gash of the Institute for Government argued that the basic nature of the relationship between departments and arm's-length bodies has not changed.⁴¹ As the National Audit Office found in February 2013, the Government has not collected quantifiable evidence on the wider value of the reforms for public services, citizen trust and participation.⁴²

17. By 31 December 2013 there were 283 fewer public bodies due to abolition or merger through the Government's Public Bodies Reform Programme.⁴³ To date, the reduction is the result of one-by-one decisions, whereas our evidence suggests that a more strategic approach is required.⁴⁴ Rob Whiteman, former Chief Executive of the UK Border Agency, said "structural ping-pong does not necessarily sort out the long-term issues".⁴⁵ The Government argues that fewer bodies means greater accountability. For example, the Child Maintenance and Enforcement Commission is now closer to Ministers as part of the Department for Work and Pensions.

37 Q467 [Nick Hurd MP]

38 Cabinet Office, [Public Bodies Reform Strategy Document](#), July 2014

39 HC Deb, 12 March 2014, [col 301](#)

40 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

41 Q26, Q1

42 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

43 As above

44 Q66 [Professor Skelcher]

45 Q171

18. The National Audit Office argued that bringing a function into a department removes the direct oversight provided by a board and audit committee.⁴⁶ John Redwood MP told us that, as a Minister, “I could brief myself very easily for a quango meeting, because I would just ask to see last year’s annual report”.⁴⁷ The Chief Executive of NHS England, Simon Stevens, agreed that “conducting our affairs in public at arm’s length from a Civil Service government department permits greater transparency.”⁴⁸ The National Audit Office reported in February 2014 that:

While bringing a function into a department brings it closer to the control of a minister, it may be more difficult for Parliament to identify and hold accountable officials who manage that function. And where [a non-departmental public body]’s functions are brought into a department or transferred to the private or voluntary sectors, transparency may be reduced if, for example, the publication of annual accounts and performance indicators is discontinued.⁴⁹

Academic research has also highlighted the reduced accountability to the public of new Cabinet Office controls. Dr Tonkiss’ research with Chairs of public bodies found that gaining approval for spending from the Cabinet Office has added a hidden bureaucratic layer to the accountability arrangements of public bodies.⁵⁰ In 2011, this Committee concluded that stakeholders and civil society play an important role providing challenge and criticism to public bodies and that it is easiest for them to do this when they have a clearly identified body to engage with, not a homogenous central department.⁵¹

19. The public bodies reforms have not been coordinated with the Civil Service Reform Plan and the health reforms, recent research concludes.⁵² The Civil Service Reform Plan progress updates do not mention public bodies.⁵³ There has not been a coherent approach to the reform of the vast mass of bodies which sit beneath central government departments, according to research by our witnesses Professor Skelcher, Dr Tonkiss and others.⁵⁴ Triennial reviews are part of the reforms. These periodic reviews gather evidence on non-departmental public bodies (NDPBs) and make recommendations. The Cabinet

46 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

47 Q199

48 Q238

49 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

50 Katherine Tonkiss, *Delegation in hard times: the financial management of arm’s length bodies in the UK*, (2014) unpublished manuscript, p11

51 Public Administration Select Committee, Fifth Report of Session 2010-11, *Smaller Government: Shrinking the Quango State*, HC 537

52 Katharine Dommett, Matthew Flinders, Chris Skelcher, and Katherine Tonkiss, “Did they read before burning? The Coalition and quangos”, *Political Quarterly*, vol 85, April-June (2014)

53 Cabinet Office, *Civil Service Reform Plan: One Year On Report*, July 2013, and Cabinet Office, *Civil Service Reform Plan Progress Report*, October 2014

54 Katharine Dommett, Matthew Flinders, Chris Skelcher, and Katherine Tonkiss, “Did they read before burning? The Coalition and quangos”, *Political Quarterly*, vol 85, 2, April-June (2014)

Office told us that a triennial review: “rigorously challenges whether functions continue to be needed and also considers alternative models for delivery.”⁵⁵

20. Triennial reviews are perceived as positive, research has found.⁵⁶ Nevertheless, the reforms are incomplete. Notably, non-ministerial departments have been excluded from triennial reviews. Tom Gash of the Institute of Government described this exclusion as “an error” due to “the fact that there is no rhyme or reason as to why a body is a non-ministerial department versus an NDPB.”⁵⁷ Executive agencies are also excluded, on the grounds that they are already accountable, as we heard from Francis Maude MP in 2010.⁵⁸ In fact, as the National Audit Office concluded in February 2014:

A wide range of major public bodies are not covered by the triennial review programme including: non-ministerial departments (such as the Forestry Commission); executive agencies (for example DVLA); public corporations (such as the BBC), or public service mutual (such as MyCSP); and local bodies (such as internal drainage boards) or charitable trusts.⁵⁹

21. The Cabinet Office has published guidance on how to carry out triennial reviews.⁶⁰ In practice reviews vary, in terms of the appointment of independent review board members, the process for signing off reports, the role of the Cabinet Office, and how to balance the evidence produced by a review with political considerations, as in the case of Natural England and the Environment Agency.⁶¹

22. The aims of triennial reviews have expanded over time. They now include aims around efficiency, transparency, and whether and how the body contributes to economic growth.⁶² The Institute for Government argues that some of this should be business-as-usual in the department-public body relationship.⁶³

23. Significant reforms of public bodies have been implemented, but have not been coordinated with Civil Service reforms and health reforms. We are unconvinced that the reforms have in fact increased accountability. Accountability does not depend on organisational form. In some cases, increased direct accountability to Ministers has come at the cost of reduced transparency and accountability to Parliament and to the public. The Government's approach so far has been limited, based on a transactional

55 Cabinet Office (QPB14)

56 Katherine Dommett, [Triennial reviews and public body reform in the UK](#) (2014)

57 Q69

58 Oral evidence taken on 3 November 2010, (2010-11), HC 537, Q86

59 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

60 Cabinet Office, [Triennial reviews: guidance and schedule](#), July 2014

61 Katherine Dommett, [Triennial reviews and public body reform in the UK](#) (2014)

62 Cabinet Office (QPD14)

63 Q65

notion of accountability, without enough emphasis on the human factors that contribute to the effectiveness of arm's-length bodies.

24. The Government's triennial reviews are welcome but limited to the bodies and topics they cover. Triennial reviews should not become 'Christmas trees' on which more and more additional aims are hung, intended to right all wrongs.

25. *Triennial reviews should also apply to executive agencies, non-ministerial departments, public corporations, and NHS bodies. The Cabinet Office should produce central guidance and support on the principles that underpin triennial reviews and the aims of the process. Rather than being viewed as a threat by public bodies, triennial reviews should be focussed on the quality of the relationship between a public body and its sponsoring department, which is the more significant factor determining accountability.*

4 Sponsorship of public bodies by government departments: the importance of relationships

26. The relationships between central government departments and public bodies are crucial. As we concluded in relation to civil servants and ministers in *Truth to power: how Civil Service reform can succeed*, strong relationships are based on shared understanding of purpose, mutual dependence, and openness and trust.⁶⁴ In 2012 the Institute for Government published a report on how to create effective relationships between Government and arm's-length bodies.⁶⁵ This includes a 'framework' for effective relationships against which departments can assess their progress on, for example, whether both sides have access to timely and reliable data.⁶⁶ We heard about variation in the seniority and frequency of contact, and how this changes over time in response to events. Some departments are moving to risk-based relationships, where bodies that demonstrate efficient use of public money have greater autonomy.⁶⁷ Some arrangements are extremely complex, as for NHS England (Box 1).⁶⁸

Box 1: Case study: NHS England

NHS England is the largest public body, with a budget of £95.6 billion.⁶⁹ It assumed full statutory powers in April 2013, and has overall responsibility for the system for commissioning healthcare.

NHS England holds 211 clinical commissioning groups to account for their performance, decides how much money each group receives, and in 2013-14 distributed £64.7 billion between them.⁷⁰ It also commissions £27.2 billion worth of services directly – primary care, specialised services (such as treatments for rare cancers) and healthcare for prisoners and military personnel.⁷¹

As a result of the Health and Social Care Act 2012, day-to-day responsibility for health has been devolved to NHS England, with the Department of Health “overseeing the running of the NHS”.⁷² It assumed full statutory powers in April 2013, having been specifically

64 Public Administration Select Committee, Eighth Report of Session 2013-14, [Truth to power: how Civil Service reform can succeed](#), HC 74 [incorporating HC 664-i-x, Session 2012-13], paragraphs 76, 80, 121

65 Institute for Government, [It takes two: How to create effective relationships between government and arm's-length bodies](#), March 2012

66 As above

67 Cabinet Office, [Public Bodies Reform Strategy Document](#), July 2014

68 Department of Health (QPB25)

69 NHS England, [NHS Allocations for 2013-14](#), accessed 4 November 2014

70 The Guardian, [NHS Commissioning Board launches](#), 12 March 2013

71 As above

72 Q335 [Professor Ham]

designed to reduce ministerial involvement in NHS policy and resource allocation.⁷³ In oral evidence to this inquiry, Una O'Brien, Permanent Secretary at the Department of Health, described NHS England as having been designed due to concerns that clinical commissioning groups “needed to be under some form of umbrella that ensured they properly cared for their money, that they conducted themselves with propriety, and that there was consistency in those fundamentals of good stewardship of public money.”⁷⁴ We heard that there is “still quite close involvement from Ministers, the Department, and NHS England on their behalf, overseeing the running of the NHS”.⁷⁵ Una O'Brien did not dispute our contention that the establishment of NHS England was inconsistent with the general direction of the Government's public body reforms, to reduce the number of ‘quangos’.⁷⁶

The Department of Health told us that they have “a complex working relationship” with NHS England, involving “regular dialogue and engagement, to ensure effective partnership working” and “clear delegated responsibilities from the Department.”⁷⁷ There are monthly meetings between the Department of Health's Senior Departmental Sponsor and NHS England's National Director of Commissioning Strategy, Ian Dodge. They discuss operational and governance issues, and NHS England's risks and issues.⁷⁸ The Chair and Secretary of State for Health meet every two months.⁷⁹ Board meetings are held in public and the minutes are published.⁸⁰ Additional accountability arrangements are in place for NHS England, compared to other Department of Health arm's-length bodies, given its scale and complexity.⁸¹ Professor Ham of the King's Fund explained that this relationship is still evolving and only dates from April last year. He told us it remained to be seen how they will eventually transform the relationship between the Secretary of State for Health and the NHS.⁸²

27. At the top, relationships should be structured, but not adversarial, we heard.⁸³ Accountability arrangements are set out in documents known as ‘framework agreements’ or ‘framework documents’ and in ‘Accountability Systems Statements’ or ‘Statements of Accounting Officer's responsibilities’.⁸⁴ No single document sets out all the roles and

73 As above

74 Q332 [Una O'Brien]

75 As above

76 As above

77 Department of Health (QPB25)

78 As above

79 As above

80 Cabinet Office, [Public Bodies 2013](#), December 2013

81 Department of Health (QPB25)

82 Q334

83 Q196 [John Redwood MP]

84 HM Treasury, [Managing Public Money](#), July 2013

responsibilities for school oversight, and the Department of Education's incomplete statement is out of date, the National Audit Office found in October 2014.⁸⁵ There should be two way consultation between department and public body, and, we were told, a 'no surprises' rule.⁸⁶

28. The Department of Health told us accountability describes the formal relationship between the Department and NHS England, while assurance is how the Department seeks, and NHS England demonstrates, that it is performing its statutory duties and meeting its objectives.⁸⁷

29. This is not always the case. Some senior staff of public bodies told the National Audit Office they felt triennial reviews had been 'done to them' rather than with them.⁸⁸ As the Institute for Government observed, however, roles and responsibilities do need to be written down somewhere. Otherwise, there is duplication of effort and weak policy coordination.⁸⁹ Relationships should be guided but not bound by framework documents. As Bronwyn Hill, Permanent Secretary of the Department for Environment, Food and Rural Affairs (Defra), told us: "If we were referring to it constantly I would be worried".⁹⁰

30. Our evidence discussed the culture of accountability. As Professor Chris Skelcher, Dr Katharine Dommett and Dr Katherine Tonkiss put it, "Within our political system, accountability is regarded primarily as a way of allocating individual blame."⁹¹ Accountability should also be seen as having a positive side, about reward, encouragement, mentoring, and support, argued John Redwood MP.⁹² Culture change is needed, or debates on form and function are academic, Rob Whiteman argued.⁹³ The official distance between a department and a public body—the length of the arm—is affected in practice by a range of informal and cultural factors, as Thomas Elston and HM Inspectorate of Prisons explained.⁹⁴ In 2013 the National Audit Office interviewed staff of bodies which had been brought back into central Government. Some argued that the formal change in status had brought only minor benefits, as they continued to work as a separate unit, with little contact with other parts of the department.⁹⁵

85 National Audit Office, *Academies and maintained schools: Oversight and intervention* HC (2014-2015) [721](#)

86 Coal Authority (QPB7), Matthew Wood (QPB8), Dr Thomas Elston (QPB18)

87 Department of Health (QPD25)

88 National Audit Office, *Progress on public bodies reform*, HC (2013-2014) [1048](#)

89 Institute for Government (QPB9)

90 Q282

91 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

92 Q212

93 Rob Whiteman (QPB21)

94 HM Inspectorate of Prisons (QPB12), Dr Thomas Elston (QPB18)

95 National Audit Office, *Progress on public bodies reform*, HC (2013-2014) [1048](#)

31. Some functions carried out by public bodies, such as immigration control, are highly political. In these cases it is difficult to separate policy and implementation.⁹⁶ Other more technical or operational decisions should in theory be made by the public body. But the Environment Agency and Defra were not able to tell us which of them made the decision not to dredge the river Parrett in Somerset.⁹⁷ The lack of this dredging exacerbated the flooding in the winter of 2013 to 2014, it has been argued.⁹⁸ We were also told that NHS England and the Department of Health jointly agreed policy on the minimum practice income guarantee for GPs. Members of Parliament need to decide whether to take up health issues raised by constituents with the Department of Health or with NHS England. Una O'Brien told us that, if an MP wished to raise a concern, they should contact the Department in case of a systemic issue, or NHS England for individual cases.⁹⁹

Governance of relationships between public bodies and Whitehall departments

32. There is disagreement within Government on the extent of central control it should exercise.¹⁰⁰ The Cabinet Office's interest in public bodies has increased, as have the resources it devotes to overseeing them.¹⁰¹ Nick Hurd MP explained why:

Given the past where we do not think there was enough of a central strategic function or purpose or support, really, for departments to get better, we make no apology for being very energetic in this area. It is needed to drive the culture change that is necessary.¹⁰²

While some of this is welcome, we heard complaints of micromanagement and unintended consequences. For example, Lord Chris Smith of Finsbury, Chair of the Environment Agency, and Bronwyn Hill, Defra Permanent Secretary, told us about HM Treasury strictness on the balance between revenue versus capital funding, and of the difficulty for public bodies of medium-term financial planning.¹⁰³ We also heard complaints about the Cabinet Office's blanket ban on public bodies awarding their staff bonuses, and of the controls framework leading to poor value for money and reducing the ability of public bodies to innovate.¹⁰⁴

96 Rob Whiteman (QPB21)

97 Qq248-255

98 ['How Somerset Levels river flooded after it was not dredged for decades'](#), *The Telegraph*, 17 February 2014

99 Q240

100 Oral evidence taken before the Public Accounts Committee on 10 July 2014, HC (2014-15) 107-I

101 Dr Thomas Elston (QPB21), Q1 [Professor Skelcher]

102 Q463

103 Qq169 [Rob Whiteman], Q271, Q274

104 Q24 [Dr Tonkiss], Katherine Tonkiss *Delegation in hard times: the financial management of arm's length bodies in the UK*, (2014) p10, Q224 [Caroline Spelman MP]

Sponsorship

33. A key part of accountability is how a department manages its relationship with a public body. This is known as sponsorship. The Cabinet Office explained to us that, normally, a senior departmental official acts as the designated sponsor, and is supported by a sponsorship team for day-to-day liaison between the department and the body.¹⁰⁵ We raised concerns in 2011 about the quality of departmental sponsorship of public bodies.¹⁰⁶ Whitehall remains “in the early days of building effective sponsorship”, Professor Skelcher, Dr Dommett and Dr Tonkiss told us.¹⁰⁷

34. The Cabinet Office is now “trying to facilitate learning across different departments” and has launched “a Civil Service specialism and learning and development pathway” for sponsors.¹⁰⁸ The Department of Health told us about the seven standards they have developed for good sponsorship, from championing the body in Whitehall to knowing the body and its business.¹⁰⁹ We also heard about a number of problems: variation between departments in the style and standard of sponsorship, lack of Cabinet Office oversight of the degree of this variation, the inadequate seniority of sponsors, and turnover among sponsors.¹¹⁰ Some sponsors hold senior roles in their departments: Richard Douglas, the Department of Health Finance Director, is the NHS England sponsor, as well as sponsor to four other health bodies.¹¹¹ The Cabinet Office wants sponsors to be more senior, and plans to collect and share examples of best practice.¹¹² Professor Skelcher, Dr Dommett and Dr Tonkiss highlighted two key risks:

- ‘Asymmetric information’—the sponsor department does not know as much about a public body’s performance as the public body itself; and
- ‘Political ignorance’—the public body or department is unaware that particular matters need ministerial attention.¹¹³

35. Junior ministers need support too. John Redwood MP, a former minister in several government departments, questioned whether any training or assistance is available to new ministers who take on responsibilities for bodies; “because I think not everyone takes to it naturally or has relevant experience.”¹¹⁴ We heard that wider improvements in the civil

105 Cabinet Office (QPD14)

106 Public Administration Select Committee, Fifth Report of Session 2010-11, [Smaller Government: Shrinking the Quango State](#), HC 537, Ev 13

107 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

108 Q68 [Tom Gash], Ev 14

109 Department of Health (QPB25)

110 Institute for Government (QPB9), Ev 13, Qq458-459, Q461 [Nick Hurd MP]

111 Department of Health (QPB25)

112 Cabinet Office, [Public Bodies Reform Strategy Document](#), July 2014

113 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

114 Q216

service are also needed to improve sponsorship.¹¹⁵ For example, in relation to financial management, Rob Whiteman argued that more than governance changes were needed to address short-termism.¹¹⁶

Crises

36. This inquiry was prompted by the flooding crisis and public criticism by Ministers of the Environment Agency. During our inquiry another crisis, a backlog in processing passport applications by HM Passport Office led to a sudden change in organisational type (see Box 2). Good relationships and clear boundaries can improve the response to crises when they occur, argued Timothy Hornsby, a former Civil Servant and public body chair writing to us in a personal capacity.¹¹⁷ As Defra Permanent Secretary Bronwyn Hill explained to us:

It stood us in very good stead that, during the very significant and extended winter flooding last year, we had the strong relationships [...] that kept all of us going through four months of extremely difficult and hard work.¹¹⁸

37. Good relationships are important because they lead to learning and it is therefore less likely that accountability crises will recur.¹¹⁹ The evidence we heard suggests that the positive relationship between the Agency and Defra only broke down during the crisis when the Secretary of State was unavailable for medical reasons and another minister stepped in without the benefit of an established and confident relationship.¹²⁰ But crises are inevitable.¹²¹ When they happen, proper accountability is more than seeking the right person to blame.¹²² Instead, Government should wait until blood has cooled before reflecting on what went wrong, as Tom Gash of the Institute for Government argued.¹²³

Box 2: Case study: HM Passport Office

HM Passport Office deals with applications for passport issue and renewal. It was absorbed into the Home Office on 1 October 2014, having been established as an executive agency of the Home Office on 13 May 2013.¹²⁴ Prior to May 2013 the organisation was known as the Identity and Passport Service, which was also an executive agency of the Home Office.¹²⁵

115 Q157 [Rob Whiteman]

116 Rob Whiteman (QPB21)

117 Timothy Hornsby (QPB4)

118 Q235

119 Q37 [Dr Tonkiss]

120 *BBC News*, '[MP Owen Paterson to have urgent operation on detached retina](#)', 6 February 2014

121 Q62 [Tom Gash]

122 As above

123 As above

124 Home Affairs Select Committee, Fourth Report of Session 2014-15, [Her Majesty's Passport Office: delays in processing applications](#), and '[Passport Office to be brought back into Home Office](#)', Civil Service World, 26 September 2014.

125 [Identity and Passport Service](#) archived website, October 2014

The Passport Office's most recent change in status was prompted by a backlog of passport applications, peaking at over 500,000 in June 2014.¹²⁶ The Home Secretary announced on 12 June that she had asked Mark Sedwill, Permanent Secretary of the Home Office, to establish two reviews: the first on the capability and resilience of the Passport Office, and the second on its agency status.¹²⁷

As a result of these reviews, the Home Secretary announced on 26 September that the body would become part of central Government, with a Director General in the Home Office replacing its Chief Executive.¹²⁸ She cited accountability in explaining the change: "As the events of the summer showed, it is essential that [it] is run as efficiently as possible and is as accountable as possible."¹²⁹

38. However complicated the arrangements may have to be, there is no excuse for lack of a clear understanding of statuses, roles and relationships. It is not acceptable that the Department of Health took more than two years to update its 'accountability system statement'. This left accountability relationships unclear during a period of major organisational change. NHS England is a now the largest arm's-length body. Its accountability should not be in any doubt, but the current arrangements for it are extremely complicated and still evolving.

39. We are concerned by reports of Cabinet Office micromanagement, as strategic leadership is needed. The Institute for Government has produced a useful 'framework' to help departments build effective relationships with their public bodies. Improvements are needed to both formal roles and responsibilities, and attitudes and behaviour. The Department of Health's sponsorship standards are a good start.

40. The Government must above all promote good relationships between central Government and public bodies. As well as holding leaders to account, those in sponsoring departments must also review and learn from what works well, and encourage, motivate, and reward the leadership of public bodies. The Cabinet Office can promote good practice and highlight examples of success. Relationships between government departments and arm's-length bodies should be partnerships of mutual interest with high trust, shared understanding, and low tendency to blame, so that disagreements are more open and honest, and there is learning from mistakes. The next phase of public bodies reform must address both formal and informal relationships, or it will achieve far less than the Government hopes.

126 Home Office press release, [Her Majesty's Passport Office made directly accountable to Ministers](#), 26 September 2014

127 Home Office (QPB20)

128 Home Office press release, [Her Majesty's Passport Office made directly accountable to Ministers](#), 26 September 2014

129 As above

41. The oversight and accountability arrangements for NHS England should be kept under review by select committees, the National Audit Office, and others.

42. As the public bodies reforms continue, the Cabinet Office should commission research to show which controls are effective and increase accountability, so it can discontinue those which undermine trust and value for money.

43. Each department should set as a goal the improvement of its relationships with arm's-length bodies, via discussions, seminars and training. Departments should report in their annual reports on the effectiveness of their sponsorship of arm's-length bodies - a key skill we are examining in our inquiry on Civil Service skills—and the next Civil Service Reform Plan update should report on progress overall in improving sponsorship. Sponsorship of arm's-length bodies must be seen as a vital skill set in the Senior Civil Service, or it will continue to be seen as second class. The Cabinet Office should build upon the new 'Sponsorship Specialism Competency Framework' but this must be supported by effective training on how to be an effective sponsor.

5 Public appointments

44. Public appointments are made when people are recruited to public bodies as members of committees or to sit on the board. Who they are and how they are chosen form an important part of the accountability of arm's-length Government. Getting it right is key to efficiency, effectiveness and strong relationships between Government and public bodies. The Commissioner for Public Appointments, Sir David Normington, regulates the processes by which Ministers make appointments to the boards of some, but not all, national and regional public bodies in England and Wales. Supported by the Office of the Commissioner for Public Appointments, his duties include monitoring compliance with the appointments Code of Practice, investigating complaints about appointment processes, and promoting equal opportunities and diversity in public appointments procedures.¹³⁰

45. While most public appointments are successful, we heard complaints about delays and difficulties in finding suitable people, and inadequate pay, though many positions are unpaid.¹³¹ The prospect of reputational risk, in particular when appearing before a select committee, is also off-putting for some.¹³²

Roles and responsibilities

46. The Prime Minister, Minister for the Cabinet Office and other Ministers play a role in many public appointments. The extent and nature of the roles they play is unclear as evidence from the Cabinet Office simply states that a number of public appointments are made by the Prime Minister and Minister for the Cabinet Office.¹³³ A small secretariat based in the Cabinet Office works on public appointments. The Cabinet Office Appointments Section, headed by Director General Sue Gray, “oversees the provision of advice to all government departments on standards and ethics issues, corporate governance in public bodies, and makes and manages public appointments,” the think tank Policy Exchange reports.¹³⁴ Nick Hurd MP told us the Cabinet Office’s role was “making sure the recruitment processes across the system are robust.”¹³⁵

47. The Minister for the Cabinet Office plays a role insofar as he is responsible for the Centre for Public Appointments, a team in the Cabinet Office which supports departments with public appointments procedures.¹³⁶ However no role for the Minister for the Cabinet Office is mentioned in either the Cabinet Office’s own guidance to departments on making

130 <http://publicappointments.cabinetoffice.gov.uk/>

131 Timothy Hornsby (QPB4), Q219 [Caroline Spelman MP], Fourteenth Report of the Public Administration Select Committee, *Public Appointments: regulation, recruitment and pay*, HC 1389, 2010-12

132 Dr Muiris MacCarthaigh and Martin O’Halloran (QPB6)

133 Cabinet Office (QPB27)

134 Michael Pinto-Duschinsky and Lynne Middleton, [Reforming Public Appointments](#), Policy Exchange, December 2013

135 Q437

136 Cabinet Office (QPB27)

and managing public appointments (2006), or in the Commissioner for Public Appointments' Code of Practice (2012). The NHS Appointments Commission, which supported public appointments procedures in the Department of Health and other government departments, was abolished in 2012. In 2011 we recommended that the Government take steps to retain, as far as possible, the considerable expertise the Commission had built up.¹³⁷ The Government did not cover this point in its response to our Report.¹³⁸

Regulation

48. The Commissioner for Public Appointments oversees the appointments process for some public appointments, such as the Chair of Ofsted, but not others, such as the Chair of the Public Works Loans Board. There is no apparent consistency to which appointments are or are not regulated, as no explanation was given in Cabinet Office written evidence in response to our direct question on this.¹³⁹ Tony Caplin was appointed to the post of Chair of the Public Works Loan Board in July 2013 by The Queen, on the recommendation of HM Treasury officials, and on the basis that he was the longest-serving commissioner on the Board.¹⁴⁰ In April 2014 it was reported that he had resigned his post when it was revealed that he had been made bankrupt in 2012. He did not inform the Cabinet Office of his bankruptcy the previous year, as he was required to do. Mr Caplin's appointment was not regulated by the Commissioner for Public Appointments and was not subject to a pre-appointment hearing which might have discovered his bankruptcy and prevented the appointment of an unsuitable person.¹⁴¹

Reappointment procedures

49. Public appointees sometimes serve only one term. If reappointed, they continue in their role for a second or subsequent term. We have previously reported on weaknesses and inconsistencies in departmental approaches to the appraisal of public appointments, and some people not being appraised before reappointment.¹⁴² The procedures for these reappointments have recently undergone a major change. From an assumption of reappointment, the Government has moved to an assumption that public appointees will not be reappointed, with no explanation beyond what our questioning was able to elicit.¹⁴³

137 Public Administration Select Committee, Fourteenth Report of Session 2010-12, [Public Appointments: regulation, recruitment and pay](#), HC 1389

138 Government Response to the Public Administration Select Committee's Fourteenth Report of Session 2012-13, [Public Appointments: regulation, recruitment and pay](#), HC 18

139 Cabinet Office (QP27)

140 HM Treasury (QP28)

141 The Commissioner For Public Appointments (QP16)

142 Public Administration Select Committee, Fourteenth Report of Session 2010-12, [Public Appointments: regulation, recruitment and pay](#), HC 1389

143 Qq413-416 [Nick Hurd MP]

50. Sally Morgan, former Chair of Ofsted, criticised the accountability of reappointment procedures for people who have served their first term as a public appointee. She told us that she was clear on how she was appointed: a public process overseen by David Normington, with an application, pre-interview, panel interview and resulting shortlist for the Secretary of State for Education:

But then the decision not to reappoint appears just to be taken by a Minister without any public oversight at all.¹⁴⁴

Diversity

51. The people selected to fill public appointments are unrepresentative of the wider population. The Commissioner of Public Appointments has a remit for promoting diversity in the procedures for public appointments. Of all the people appointed or reappointed to public bodies in 2012-13, 36% were women, 5.5% were from black or ethnic minority backgrounds, and 5.3% had disabilities.¹⁴⁵ Most were aged 46 to 65 (75%), with only 1.6% aged 35 or under.¹⁴⁶ The Government aspires to 50% of new public appointees being women by the end of this Parliament.¹⁴⁷ Nick Hurd MP told us there has been some progress on gender, but the overall trend is downward in the proportion of women being appointed since statistics started being collected in 2001-02.¹⁴⁸ In September 2014 the Government published a Talent Action Plan for Civil Servants, but not the public servants who work in public bodies, to encourage better gender balance and diversity.¹⁴⁹ Actions the Government is taking to increase the diversity of public appointees include increasing awareness of appointments, holding events and suggesting improvements to the language in job specifications.¹⁵⁰ The Government's Action Plan contains one line about what it is doing to proactively approach potential candidates:

The [Centre for Public Appointments] is encouraging applications from candidates by contacting potential candidates about suitable opportunities.¹⁵¹

52. Nick Hurd MP argued to us that an end to the presumption of reappointment will bring greater diversity.¹⁵² He did not offer any evidence to back this assertion. Some feel that, since the disbanding of the NHS Appointments Commission in 2010, there has been a gap in identifying and encouraging high quality applicants from across the community to

144 Q387

145 The Commissioner for Public Appointments, [Annual report 2012-13](#), October 2013

146 As above

147 Cabinet Office (QPB14)

148 Q441 [Mr Hurd] and The Commissioner for Public Appointments, [Annual report 2012-13](#), October 2013

149 Cabinet Office, [Talent Action Plan: Removing the barriers to success](#), September 2014

150 Cabinet Office (QPB27)

151 Cabinet Office, [Increasing diversity in public appointments](#), December 2013

152 Q413

apply for non-departmental public body board positions.¹⁵³ In 2011 Sir David Normington told us that “Government departments are almost discouraged from taking responsibility for themselves for improving public appointments and getting the best outcomes”.¹⁵⁴ We have previously expressed our concern that the quality, range and diversity of candidates applying for senior public appointments may be adversely affected by the imposition of pay caps.¹⁵⁵

53. Public appointments are not sufficiently transparent, representative, or accountable. Encouraging good people to apply is a challenge, which is alarming given the central importance of appointments to the effectiveness and accountability of public bodies. The recent policy change, from an assumption of reappointment to an assumption of non-reappointment, is a major one which has been little discussed, and which potentially politicises appointments. The Government’s new position could reduce the willingness of people to apply for tough appointments as they may feel they will not have the time needed to see reforms through, especially if there is a change in Government during their term.

54. The Cabinet Office, which publishes a list of regulated public appointments, should also publish a list of unregulated public appointments and set out the rationale by which some appointments are regulated and some are not. In the interests of transparency the Cabinet Office should ensure that the sponsoring department clarifies who is involved in a public appointment, at what stage, and whether they advise or decide. This means publishing new factual information in greater detail than is currently available, including an explanation of the rationale for these arrangements.

55. The Cabinet Office should publish the reasons for ending the presumption in favour of default reappointment and review the wisdom of the new arrangement. To address the issues raised by Sally Morgan, departments must make clear to appointees at the outset whether their appointment is intended to be for one or more than one term.

56. Organisations making public appointments must take responsibility for seeking out able people from under-represented backgrounds and groups, as well as making the application process straightforward and fair. The Cabinet Office in turn should strengthen its public appointments diversity plan, holding arm’s-length bodies to the same ambitious standards and firm steer as in the Civil Service Talent Action Plan.

153 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

154 Q2, Public Administration Select Committee, Fourteenth Report of Session 2010-12, [Public Appointments: regulation, recruitment and pay](#), HC 1389

155 Public Administration Select Committee, Fourteenth Report of Session 2010-12, [Public Appointments: regulation, recruitment and pay](#), HC 1389

57. The Cabinet Office needs to demonstrate greater internal consistency, stability and internal collaboration in public appointments. Responsibility for public appointments policy lies in its Propriety and Ethics Division, while responsibility for the governance of public bodies lies in the Efficiency and Reform Group. The Cabinet Office should bring together the role of the Centre for Public Appointments and the Public Bodies Team, to encourage a more coordinated and coherent policy in this area.

6 Bodies accountable to Parliament

58. Some public bodies report to Parliament, not Government. In the taxonomy for public bodies proposed by the Institute for Government, these would be known as 'constitutional bodies'.¹⁵⁶ The heads of the Parliamentary and Health Service Ombudsman and of the National Audit Office are Officers of Parliament.¹⁵⁷ This is also true of the Secretary of the Public Accounts Commission, and the Chief Executive of the Independent Parliamentary Standards Authority.¹⁵⁸ This information can be found in the reference book Erskine May, but is not clear from the Parliament website.

59. In recent years a new species of arm's-length body, the 'constitutional watchdog', such as the Electoral Commission, has added complexity to parliamentary accountability. The Cabinet Office told us that non-ministerial departments often have professional duties where ministerial input would be inappropriate or would damage their integrity.¹⁵⁹ HM Chief Inspector of Prisons, Nick Hardwick, reiterated to us his concern that he is not independent enough of Government.¹⁶⁰ He is appointed by and reports directly to the Ministry of Justice. He called this "by its nature incompatible with full independence" and preferred to report directly to Parliament, as a safeguard of the independence of his role.¹⁶¹

60. Monitoring the work of public bodies is a core task of select committees.¹⁶² Members of Parliament need information on public bodies to scrutinise them. This is often lacking. The Cabinet Office already says that public bodies should inform Parliament of their activities in annual reports, but this is only happening in 63% of cases.¹⁶³ Nick Hurd MP told us this was "not enough".¹⁶⁴

Parliamentary questions

61. During this inquiry we reviewed the answering of parliamentary questions and learned that there is a little consistency. The Government says flexibility is beneficial, but it can hinder or blur accountability.¹⁶⁵ Nick Hurd MP agreed that if a Minister is providing a response, he or she remains accountable for the quality and content of the response.¹⁶⁶ A

156 Institute for Government, [Read before burning: arm's length government for a new administration](#), 2010, p14

157 Erskine May, 2011, 24th ed, p120

158 As above

159 Cabinet Office (QP27)

160 HM Inspectorate of Prisons (QP12)

161 As above

162 Liaison Committee, [Annual Report 2002](#), HC 558 (2002-03), para 13

163 Figure refers to non-departmental public bodies in 2012-13. National Audit Office, [Progress on public bodies reform](#), February 2014, HC (2013-14) 1048

164 Q454

165 Leader of the House of Commons (QP22), Clerks of Procedure Committee and PASC, House of Commons (QP24)

166 Q444

ministerial department normally retains a watching brief over a non-ministerial department so that a minister of that department can answer for them in Parliament. For example, the Cabinet Office has a watching brief over the Charity Commission, which is a non-ministerial department. However, the Cabinet Office is not accountable for the Commission.¹⁶⁷

62. It is difficult for individual MPs to hold non-ministerial departments to account unless they sit on the relevant select committee (for example the Education Select Committee, in the case of Ofsted). In some cases, a public body is accountable to Parliament through answering parliamentary questions through a select committee chair. In the case of the Independent Parliamentary Standards Authority (IPSA), Charles Walker MP, Spokesman of the Speaker's Committee on IPSA, responds to questions from other MPs.¹⁶⁸ Charles Walker MP has on occasion had to send an answer back to IPSA to be redrafted, as he considered it unsatisfactory.¹⁶⁹ This strengthens accountability.

63. Parliament has made some public bodies accountable to Parliament rather than government. These arrangements are variable and inconsistent. Not enough up-to-date information is available. Lines of accountability need to be clarified and in some cases altered.

64. Parliament should provide clear information on its website on which public bodies it holds directly accountable. The Information Commissioner and HM Inspectorate of Prisons should be more fully independent of Government and should report to Parliament. The Information Commissioner, Commissioner for Public Appointments and the Chair of the Committee on Standards in Public Life should become Officers of Parliament, as the Parliamentary and Health Service Ombudsman and the Comptroller and Auditor General already are.

65. Many written parliamentary questions are addressed to non-ministerial departments. These should be replied to by the non-ministerial department in the name of the Chair of the relevant select committee. This would increase accountability directly to Parliament and enable the MP answering the question to send a proposed answer back if they consider it unsatisfactory.

167 Cabinet Office (QPB14)

168 Clerks of Procedure Committee and PASC, House of Commons (QPB24)

169 As above

7 Transparency

66. The information available on public bodies is patchy: the National Audit Office reported that in 2012-13, 40% of non-departmental public bodies (NDPBs) made the minutes of their board meetings available to the public, and just 19% held board meetings open to the public.¹⁷⁰ There was no improvement on these measures between 2011-12 and 2012-13. The Administrative Justice and Tribunals Council, however, despite having been absorbed into the Ministry of Justice in August 2013, nonetheless published an annual performance report for 2013-14. It was under no obligation to do so, but responded to urging from this Committee in *Future oversight of administrative justice*, published in March 2012.¹⁷¹

67. Transparency takes different forms. ‘Useful’ transparency may also include “what the [arm’s length body] is there for; how it is governed; how it makes decisions; how well it performs and how to access or complain about its activities”.¹⁷² Members of the public in England now have the right to film, blog and tweet in council meetings, but no equivalent regulation applies to public bodies.¹⁷³ The Cabinet Office told us there are situations where holding a board meeting in public may not be appropriate, particularly if the sensitivity of the discussion would mean a public meeting would not be in the public interest.¹⁷⁴

68. We learned that there is also a lack of information on which functions are carried out by public bodies. As the National Audit Office reported in February 2014, “there is no information on the total number of functions carried out at arm’s length, either in 2010 or now”.¹⁷⁵ Jonathan Isaby of the TaxPayers’ Alliance argued that the Government ought to hold information on all bodies which receive public funding, including, for example, public corporations.¹⁷⁶ The Cabinet Office does not oversee or maintain records of the creation of local bodies, public corporations or public companies, unless they are also NDPBs.¹⁷⁷

69. The Cabinet Office are trying to improve the transparency of public bodies. Nick Hurd MP told us they are making transparency “a more emphatic and important part of the triennial review process”.¹⁷⁸

170 As above

171 Public Administration Select Committee, Twenty First Report of Session 2010-12, [Future oversight of administrative justice: the proposed abolition of the Administrative Justice and Tribunals Council](#), HC 1621

172 Public Chairs Forum and Institute for Government, [Transparency in arm’s length bodies: a guide to best practice](#), 2014

173 Department for Communities and Local Government press release, [Press freedom boosted by new ‘right to report’](#), August 2014

174 Cabinet Office (QPB27)

175 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

176 Q101

177 National Audit Office, *Progress on public bodies reform*, HC (2013–2014) [1048](#)

178 Q456

70. Published documents set out the accountability arrangements for public bodies and government departments, such as 'framework agreements.' Accountability arrangements for NHS England, the largest public body, were summarised for us by the Department of Health.¹⁷⁹ The Department's Permanent Secretary, Una O'Brien, gave us a 300 word answer. In short, she told us that the Department of Health sets NHS England's objectives, and holds it to account via a document, the 'mandate', and regular private meetings. The minutes of these meetings are made public. She wrote afterwards with more information, acknowledging that the system is complex, as it involves a number of bodies performing different but connected roles, but describing one system with responsibility ultimately delegated from the Department.¹⁸⁰ The Department's Accounting Officer responsibilities statement sets out how it holds its public bodies to account. It was published in October 2014, updating the previous version published in September 2012.¹⁸¹ The document describes the Department as a 'system steward' which acts, where necessary, 'as a national coordinating mechanism'.¹⁸² Professor Ham, speaking to us before this publication, said that clarity in health accountability was improving.¹⁸³

71. Sometimes disagreements between central Government and public bodies are aired in public, and other times they are discussed privately. For example, the Chief Inspector has stated that Ofsted should inspect academy chains; the then Secretary of State for Education Michael Gove MP disagreed.¹⁸⁴ More often, though, chairs of public bodies do not consider it their role to publicly criticise ministerial decisions on their policies and budgets.¹⁸⁵ One of our witnesses, Rob Whiteman, former UK Border Agency Chief Executive, disagreed with 'secrecy' of this kind. Making a wider point about open policy making, he argued that there "would be benefit from more transparency about the options considered, prior to delivery initiation, of the advice given on costs, risks and appraisal of policy options."¹⁸⁶ Unlike in public bodies, disagreements between Permanent Secretaries and Ministers can be made public through the publication of letters of direction, where officials request written direction from Ministers to proceed with a policy. It is worth noting however that no letters of direction have been issued under the current Government.¹⁸⁷

72. We welcome the greater transparency provided in the 'Public Bodies' publication and Whole of Government Accounts. However, the information available on public bodies remains patchy, as does information on functions previously performed by public bodies but now in-house. Many public bodies undermine open Government and

179 Q294

180 Department of Health (QPB25)

181 Department of Health, [DH Accounting Officer responsibilities statement](#), October 2014

182 As above, p5

183 Q253

184 Q237 [Baroness Morgan of Huyton]

185 Professor Skelcher, Dr Dommett and Dr Tonkiss (QPB13)

186 Rob Whiteman (QPB21)

187 Institute for Government, [Leading Change in the Civil Service](#), March 2014

public confidence by failing to hold public meetings or to publish the minutes of their meetings.

73. Accountability documents should be free from jargon and set out in simple and graphic form. Each government department must improve its written statements on accountability arrangements, to make them clear, understandable, and up to date. To achieve this, the statements should be written in plain English with simple organisational charts showing lines of accountability. The Cabinet Office should oversee this work and report on progress in its annual reports.

74. In the interests of transparency, each public body should publish an up-to-date statement of their accountability arrangements in their annual reports and on their websites, like those published by government departments. The Cabinet Office should oversee and report on progress on this.

75. The Administrative Justice and Tribunals Council was absorbed into the Ministry of Justice in August 2013 but nonetheless published an annual performance report for 2013-14. This should be the case for others: the operating units of government departments should produce annual reports and accounts, to enable both ministers and Parliament and the public to hold them to account. The Cabinet Office should ensure transparent information is published on the effectiveness of functions, wherever these functions are performed. With good management information, this should be straightforward.

76. As in meetings of local authorities, members of the public should have the right to film, blog and tweet during public meetings of arm's-length bodies. Ministers in sponsor departments should hold public bodies to account for failing to hold public meetings or publishing the minutes of their meetings, and provide an explanation of how this is being addressed in departmental annual reports.

77. Chairs of public bodies should be able to ask for a letter of direction from the relevant minister, in the event that they feel their public body is being required to do something that is not value for money. This should be copied to the Chair of the relevant select committee.

8 Conclusion

78. We have reviewed the state of accountability for arm's-length bodies in the UK and found inconsistency, overlaps, confusion and clutter. The Cabinet Office's public bodies reform programme has been limited to just one form, the non-departmental public body, and we have been presented with no evidence that it has increased accountability. In the interests of continued accountability, when functions move in-house, the same or greater transparency must apply. Clear information enables democratic scrutiny and counters the disillusionment that stems in part from lack of understanding. We have called for a more professional and transparent approach to the management of the hundreds of public bodies which surround central Government.

79. Accountability also depends upon effective relationships and learning rather than blame. We have called for transparency, clarity, and greater ambition from the Government. Our key recommendation, a taxonomy of arm's-length governance, would simplify, rationalise and clarify the structure of the state. It is a huge opportunity for the Government to make the British state more transparent and understandable.

80. But above all, we have concluded that the Government must focus on relationships and engagement with public bodies. Relationships should be high trust and low cost, but too often are low trust and high cost. The Government has not yet placed enough emphasis on these human factors that contribute to the success of arm's-length government. This means improving sponsorship skills in the Civil Service. We recommend that the Civil Service motivate and educate talented people in this important work, in order to improve efficiency, transparency and effectiveness in public bodies, and to provide assurance that they are carrying out their functions as intended, meeting their aims, and achieving value for money.

Conclusions and recommendations

1. Accountability tensions must not be increased by transactional and procedural relationships. We are calling for a more professional and transparent approach to the management of the state beyond departmental borders. Functions carried out by the state should be accountable to Ministers and through them to Parliament. The Government must ensure public bodies make available clear information to enable democratic scrutiny and to counter the disillusionment that stems in part from a lack of understanding of who is accountable. Our recommendations aim to improve transparency and the public and Parliamentary understanding of arm's-length bodies. This would make for better scrutiny, stronger accountability, and assurance that arm's-length bodies are carrying out their functions as intended, meeting their aims, and achieving value for money. (Paragraph 6)

Public bodies in the UK: a taxonomy

2. Accountability for arm's-length bodies is confused, overlapping and neglected, with blurred boundaries and responsibilities. A taxonomy would simplify and rationalise the structure of the state. (Paragraph 13)
3. *We recommend the Government adopt a taxonomy of public bodies such as that proposed by the Institute for Government but with more detail to provide for all circumstances, which sets out the legal status of each type and how it is held accountable. All public bodies should be included in one or other category. There should be consistent naming conventions. This simple step, which would improve transparency and accountability, should accompany a new online 'Directory of Governance' of annual reports, budgets, minutes of meetings, and other information of value to the public. There is a huge opportunity for the Government to make the British state more transparent and understandable.* (Paragraph 14)

The Government's public bodies reforms to date

4. Significant reforms of public bodies have been implemented, but have not been coordinated with Civil Service reforms and health reforms. We are unconvinced that the reforms have in fact increased accountability. Accountability does not depend on organisational form. In some cases, increased direct accountability to Ministers has come at the cost of reduced transparency and accountability to Parliament and to the public. The Government's approach so far has been limited, based on a transactional notion of accountability, without enough emphasis on the human factors that contribute to the effectiveness of arm's-length bodies. (Paragraph 23)
5. The Government's triennial reviews are welcome but limited to the bodies and topics they cover. Triennial reviews should not become 'Christmas trees' on which more and more additional aims are hung, intended to right all wrongs. (Paragraph 24)
6. *Triennial reviews should also apply to executive agencies, non-ministerial departments, public corporations, and NHS bodies. The Cabinet Office should produce central*

guidance and support on the principles that underpin triennial reviews and the aims of the process. Rather than being viewed as a threat by public bodies, triennial reviews should be focussed on the quality of the relationship between a public body and its sponsoring department, which is the more significant factor determining accountability. (Paragraph 25)

Sponsorship of public bodies by government departments: the importance of relationships

7. However complicated the arrangements may have to be, there is no excuse for lack of a clear understanding of statuses, roles and relationships. It is not acceptable that the Department of Health took more than two years to update its 'accountability system statement'. This left accountability relationships unclear during a period of major organisational change. NHS England is now the largest arm's-length body. Its accountability should not be in any doubt, but the current arrangements for it are extremely complicated and still evolving. (Paragraph 38)
8. We are concerned by reports of Cabinet Office micromanagement, as strategic leadership is needed. The Institute for Government has produced a useful 'framework' to help departments build effective relationships with their public bodies. Improvements are needed to both formal roles and responsibilities, and attitudes and behaviour. The Department of Health's sponsorship standards are a good start. (Paragraph 39)
9. The Government must above all promote good relationships between central Government and public bodies. As well as holding leaders to account, those in sponsoring departments must also review and learn from what works well, and encourage, motivate, and reward the leadership of public bodies. The Cabinet Office can promote good practice and highlight examples of success. Relationships between government departments and arm's-length bodies should be partnerships of mutual interest with high trust, shared understanding, and low tendency to blame, so that disagreements are more open and honest, and there is learning from mistakes. The next phase of public bodies reform must address both formal and informal relationships, or it will achieve far less than the Government hopes. (Paragraph 40)
10. *The oversight and accountability arrangements for NHS England should be kept under review by select committees, the National Audit Office, and others. (Paragraph 41)*
11. *As the public bodies reforms continue, the Cabinet Office should commission research to show which controls are effective and increase accountability, so it can discontinue those which undermine trust and value for money. (Paragraph 42)*
12. *Each department should set as a goal the improvement of its relationships with arm's-length bodies, via discussions, seminars and training. Departments should report in their annual reports on the effectiveness of their sponsorship of arm's-length bodies - a key skill we are examining in our inquiry on Civil Service skills—and the next Civil Service Reform Plan update should report on progress overall in improving sponsorship. Sponsorship of arm's-length bodies must be seen as a vital skill set in the*

Senior Civil Service, or it will continue to be seen as second class. The Cabinet Office should build upon the new 'Sponsorship Specialism Competency Framework' but this must be supported by effective training on how to be an effective sponsor. (Paragraph 43)

Public appointments

13. Public appointments are not sufficiently transparent, representative, or accountable. Encouraging good people to apply is a challenge, which is alarming given the central importance of appointments to the effectiveness and accountability of public bodies. The recent policy change, from an assumption of reappointment to an assumption of non-reappointment, is a major one which has been little discussed, and which potentially politicises appointments. The Government's new position could reduce the willingness of people to apply for tough appointments as they may feel they will not have the time needed to see reforms through, especially if there is a change in Government during their term. (Paragraph 53)
14. *The Cabinet Office, which publishes a list of regulated public appointments, should also publish a list of unregulated public appointments and set out the rationale by which some appointments are regulated and some are not. In the interests of transparency the Cabinet Office should ensure that the sponsoring department clarifies who is involved in a public appointment, at what stage, and whether they advise or decide. This means publishing new factual information in greater detail than is currently available, including an explanation of the rationale for these arrangements. (Paragraph 54)*
15. *The Cabinet Office should publish the reasons for ending the presumption in favour of default reappointment and review the wisdom of the new arrangement. To address the issues raised by Sally Morgan, departments must make clear to appointees at the outset whether their appointment is intended to be for one or more than one term. (Paragraph 55)*
16. *Organisations making public appointments must take responsibility for seeking out able people from under-represented backgrounds and groups, as well as making the application process straightforward and fair. The Cabinet Office in turn should strengthen its public appointments diversity plan, holding arm's-length bodies to the same ambitious standards and firm steer as in the Civil Service Talent Action Plan. (Paragraph 56)*
17. *The Cabinet Office needs to demonstrate greater internal consistency, stability and internal collaboration in public appointments. Responsibility for public appointments policy lies in its Propriety and Ethics Division, while responsibility for the governance of public bodies lies in the Efficiency and Reform Group. The Cabinet Office should bring together the role of the Centre for Public Appointments and the Public Bodies Team, to encourage a more coordinated and coherent policy in this area. (Paragraph 57)*

Bodies accountable to Parliament

18. Parliament has made some public bodies accountable to Parliament rather than government. These arrangements are variable and inconsistent. Not enough up-to-

date information is available. Lines of accountability need to be clarified and in some cases altered. (Paragraph 63)

19. *Parliament should provide clear information on its website on which public bodies it holds directly accountable. The Information Commissioner and HM Inspectorate of Prisons should be more fully independent of Government and should report to Parliament. The Information Commissioner, Commissioner for Public Appointments and the Chair of the Committee on Standards in Public Life should become Officers of Parliament, as the Parliamentary and Health Service Ombudsman and the Comptroller and Auditor General already are. (Paragraph 64)*
20. *Many written parliamentary questions are addressed to non-ministerial departments. These should be replied to by the non-ministerial department in the name of the Chair of the relevant select committee. This would increase accountability directly to Parliament and enable the MP answering the question to send a proposed answer back if they consider it unsatisfactory. (Paragraph 65)*

Transparency

21. We welcome the greater transparency provided in the 'Public Bodies' publication and Whole of Government Accounts. However, the information available on public bodies remains patchy, as does information on functions previously performed by public bodies but now in-house. Many public bodies undermine open Government and public confidence by failing to hold public meetings or to publish the minutes of their meetings. (Paragraph 72)
22. *Accountability documents should be free from jargon and set out in simple and graphic form. Each government department must improve its written statements on accountability arrangements, to make them clear, understandable, and up to date. To achieve this, the statements should be written in plain English with simple organisational charts showing lines of accountability. The Cabinet Office should oversee this work and report on progress in its annual reports. (Paragraph 73)*
23. *In the interests of transparency, each public body should publish an up-to-date statement of their accountability arrangements in their annual reports and on their websites, like those published by government departments. The Cabinet Office should oversee and report on progress on this. (Paragraph 74)*
24. *The Administrative Justice and Tribunals Council was absorbed into the Ministry of Justice in August 2013 but nonetheless published an annual performance report for 2013-14. This should be the case for others: the operating units of government departments should produce annual reports and accounts, to enable both ministers and Parliament and the public to hold them to account. The Cabinet Office should ensure transparent information is published on the effectiveness of functions, wherever these functions are performed. With good management information, this should be straightforward. (Paragraph 75)*
25. *As in meetings of local authorities, members of the public should have the right to film, blog and tweet during public meetings of arm's-length bodies. Ministers in sponsor*

departments should hold public bodies to account for failing to hold public meetings or publishing the minutes of their meetings, and provide an explanation of how this is being addressed in departmental annual reports. (Paragraph 76)

- 26.** *Chairs of public bodies should be able to ask for a letter of direction from the relevant minister, in the event that they feel their public body is being required to do something that is not value for money. This should be copied to the Chair of the relevant select committee. (Paragraph 77)*

Annex: Extract from Cabinet Office written evidence

Principal categories of central Government public body¹⁸⁸

Model	Key features
Ministerial Department	<p>Minister has direct control day-to-day on both operational and policy basis, and is accountable to Parliament for the department.</p> <p>Examples: Cabinet Office; Home Office; Department for Environment, Food and Rural Affairs; Department for Education.</p>
Executive agency	<p>Executive agencies are business units of a department and are thus more directly accountable to ministers than either NDPBs or non-ministerial departments. However, ministers would not expect to be involved with their day-to-day operation.</p> <p>Legally part of a department, they receive funding through that department and their accounts are consolidated with the departmental accounts, but they form administratively distinct units, with their own distinct identity. Staff of an executive agency remain Civil Servants employed by the sponsoring department. They work within a policy framework established by the minister and department. The chief executive is responsible for delivery and day-to-day operations, with a management board (usually including non-executive members) providing a challenge and support function to the chief executive. A number of executive agencies are also classified as 'trading funds'. This is a legal and financial status, separate and additional to their administrative categorisation.</p> <p>Examples: The former UKBA; Rural Payments Agency; UK Space Agency; Driver and Vehicle Licensing Agency (DVLA); Planning Inspectorate.</p>
Non-ministerial department	<p>Non-ministerial departments do not have direct ministerial accountability. Their need for independence from ministers is even greater than for NDPBs, and includes regulators and tax authorities.</p> <p>There will be a 'sponsor minister' who has residual policy responsibility for the continued existence of the non-ministerial department, the overall policy and statutory framework within which it operates, and represents the non-ministerial department in Parliament. However, a non-ministerial department operates independently of ministers, generally receiving funding directly from Parliament, and is accountable directly to Parliament.</p> <p>Examples: Ofsted; UK Trade & Investment; Food Standards Agency; Ordnance</p>

	Survey.
Non-departmental public body	<p>NDPBs are bodies which are part of central Government but not government departments, or part of one, and which operate to a greater or lesser degree at arm's length from ministers, meaning that they are independent, but operate within a framework of ministerial accountability and control. Short term bodies, those existing for less than three years, are not considered to be NDPBs. There are four basic types of NDPB, though they share the common feature of performing a function that should be seen to be delivered independently of ministerial control. Accordingly, they will generally have a predominantly non-executive board which is responsible for delivery, within an overall policy framework established by the sponsor department, from which they receive funding. The sponsoring minister retains overall accountability to Parliament for the performance and delivery of the body.</p> <p>The four basic models are:</p> <p><i>Executive NDPB</i> - carry out a wide range of administrative, commercial, executive and regulatory or technical functions which are considered to be better delivered at arm's length from ministers. Often have delegated budget (with own Accounting Officer and employ own staff, who are not civil servants).</p> <p>Examples: Health and Safety Executive; Information Commissioner's Office; Environment Agency.</p> <p><i>Advisory NDPB</i> - set up to provide independent, expert advice to ministers on an ongoing basis. Generally smaller bodies, with resourcing (financing and staff) provided directly by the sponsor department.</p> <p>Examples: Social Security Advisory Committee; Veterinary Products Committee.</p> <p><i>Tribunal NDPB</i> - Usually concerned with the rights and obligations of individuals in relation to a branch of government or other public authority. New tribunal functions should now usually be placed within the First Tier Tribunal (part of HM Courts and Tribunals Service).</p> <p>Examples: Traffic Commissioners; The Valuation Tribunal.</p> <p><i>Independent Monitoring Board</i> - Statutory bodies attached to each prison establishment, immigration removal centre and immigration holding facility in England and Wales. They must be set up by law each time a new prison or immigration removal centre is set up.</p>

Formal Minutes

Tuesday 4 November 2014

Members present:

Mr Bernard Jenkin, in the Chair

Kelvin Hopkins

Paul Flynn

Draft Report (*Who's accountable? Relationships between Government and arm's-length bodies*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 80 read and agreed to.

Annex and Summary agreed to.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available.

[Adjourned till 10 November at 4.15 pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the Committee's inquiry page at www.parliament.uk/pasc.

Tuesday 29 April 2014

Question number

Professor Chris Skelcher, Professor of Public Governance, University of Birmingham, **Dr Katherine Tonkiss**, Research Fellow, University of Birmingham and **Tom Gash**, Director of Research, Institute for Government

[Q1-78](#)

Tuesday 17 June 2014

Jonathan Isaby, Chief Executive, Taxpayers' Alliance, **Dr Michael Pinto Duschinsky**, Research Fellow, Policy Exchange and **Rob Whiteman**, Chief Executive, Chartered Institute of Public Finance and Accountancy, and former Chief Executive, UK Border Agency

[Q79-188](#)

Rt Hon Caroline Spelman MP, former Secretary of State and **Rt Hon John Redwood MP**, former Secretary of State

[Q189-232](#)

Tuesday 24 June 2014

Rt Hon Lord Smith of Finsbury, Chairman, Environment Agency, **Bronwyn Hill**, Permanent Secretary, and **Sonia Phippard**, Director, Water and Flood Risk Management, Department for Food, Environment and Rural Affairs

[Q233-292](#)

Una O'Brien, Permanent Secretary, Department of Health, **Simon Stevens**, Chief Executive, NHS England, **Professor Chris Ham**, Chief Executive, The King's Fund

[Q293-365](#)

Baroness Morgan of Huyton, Chair and **Neil Greenwood**, Deputy Director of Strategy, Policy and Performance, Ofsted

[Q366-394](#)

Tuesday 14 July 2014

Nick Hurd MP, Minister for Civil Society, Cabinet Office

[Q395-497](#)

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page at www.parliament.uk/pasc. QPD numbers are generated by the evidence processing system and so may not run consecutively.

- 1 Cabinet Office ([QPD0014](#))
- 2 Cabinet Office ([QPD0026](#))
- 3 Cabinet Office ([QPD0027](#))
- 4 Chair, Procedure Committee, House of Commons ([QPD0023](#))
- 5 Clerks of Procedure Committee and PASC, House of Commons ([QPD0024](#))
- 6 Department of Health ([QPD0025](#))
- 7 Dr Muiris Maccarthaigh and Martin O'Halloran ([QPD0006](#))
- 8 Dr Thomas Elston ([QPD0018](#))
- 9 Food and Drink Federation ([QPD0011](#))
- 10 Food Standards Agency ([QPD0015](#))
- 11 HM Inspectorate of Prisons ([QPD0012](#))
- 12 HM Treasury ([QPD0028](#))
- 13 Home Office ([QPD0020](#))
- 14 Institute for Government ([QPD0009](#))
- 15 Leader of the House of Commons ([QPD0022](#))
- 16 Matthew Wood ([QPD0008](#))
- 17 Office of the Commissioner for Public Appointments ([QPD0003](#))
- 18 Professional Standards Authority for Health and Social Care ([QPD0005](#))
- 19 Professor Skelcher, Dr Katherine Dommett and Dr Katherine Tonkiss ([QPD0013](#))
- 20 Rob Whiteman, Chief Executive, CIPFA (and formerly Chief Executive Of UKBA) ([QPD0021](#))
- 21 The Coal Authority ([QPD0007](#))
- 22 The Commissioner for Public Appointments ([QPD0016](#))
- 23 Timothy Hornsby ([QPD0004](#))
- 24 Youth Justice Board ([QPD0010](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the Committee's website at www.parliament.uk/pasc

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2014–15

First Special Report	Business Appointment Rules: Government Response to the Committee's Third Report of Session 2012-13	HC 563
Second Special Report	Too soon to scrap the Census: Government and UK Statistics Authority Responses to the Committee's Fifteenth Report of Session 2013–14	HC 601
Third Special Report	More Complaints Please! and Time for a People's Ombudsman Service: Government Responses to the Committee's Twelfth and Fourteenth Reports of Session 2013-14	HC 618
Fourth Special Report	Caught red-handed: Why we can't count on Police Recorded Crime statistics: UK Statistics Authority Response to the Committee's Thirteenth Report of Session 2013-14	HC 645
Fifth Special Report	Statistics and Open Data: Government Response to the Committee's Tenth Report of Session 2013-14	HC 620

Session 2013–14

First Report	Communicating statistics: not just true but also fair	HC 190 (HC 573)
Second Report	Public engagement in policy-making	HC 75 (HC 986)
Third Report	The role of the Charity Commission and "public benefit": Post-Legislative scrutiny of the Charities Act 2006	HC 76 (HC 927)
Fourth Report	Engaging the public in National Strategy	HC 435
Fifth Report	Appointment of the Chair of the Committee on Standards in Public Life	HC 516
Sixth Report	Government Procurement	HC 123 (HC 105)
Seventh Report	Migration Statistics	HC 523
Eighth Report	Truth to Power: how Civil Service reform can succeed	HC 74 (HC 955)
Ninth Report	Latest proposals for ministerial involvement in permanent secretary appointments: PASC's recommendations	HC 1041
Tenth Report	Statistics and Open Data: Harvesting unused knowledge, empowering citizens and improving public services	HC 564
Eleventh Report	The failure of the Cabinet Office to respond to our Report on the Business Appointment Rules	HC 1156
Twelfth Report	More complaints please!	HC 229

Thirteenth Report	Caught red-handed: Why we can't count on Police Recorded Crime statistics	HC 760 (Cm 8910)
Fourteenth Report	Time for a People's Ombudsman Service	HC 655
Fifteenth Report	Too soon to scrap the census	HC 1090
First Special Report	Public Trust in Government Statistics: A review of the operation of the Statistics and Registration Service Act 2007: Government and UK Statistics Authority Responses to the Committee's Ninth Report of Session 2012–13	HC 77
Second Special Report	Special advisers in the thick of it: Government Response to the Committee's Sixth Report of Session 2012–13	HC 515
Session 2012–13		
First Report	The Big Society: Further Report with the Government Response to the Committee's Seventeenth Report of Session 2010–12	HC 98
Second Report	The Honours System	HC 19
Third Report	Business Appointment Rules	HC 404
Fourth Report	Appointment of the Chair of the Charity Commission	HC 315-I
Fifth Report	End of term report: 2011–12	HC 316
Sixth Report	Special advisers in the thick of it	HC 134
Seventh Report	The Honours System: Further Report with the Government Response to the Committee's Second Report of Session 2012–13	HC 728
Eighth Report	The Role of the Cabinet Secretary and the Resignation of the Chief Whip	HC 864 (HC 968)
Ninth Report	Public Trust in Government Statistics, A review of the operation of the Statistics and Registration Service Act 2007	HC 406 (HC 77)
First Special Report	Public Appointments: regulation, recruitment and pay: Government Response to the Committee's Fourteenth Report of Session 2010–12	HC 18
Second Special Report	Leadership of change: new arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary: Further Report: Government Response to the Committee's Twenty Third Report of Session 2010–12	HC 313
Third Special Report	Strategic thinking in Government: without National Strategy, can viable Government strategy emerge? Government Response to the Committee's Twenty Fourth Report of Session 2010–12	HC 573
Fourth Special Report	The role of the Cabinet Secretary and the Resignation of the Chief Whip: Government Response to the Committee's Eighth Report of Session 2012–13	HC 968
Fifth Special Report	The Prime Minister's Adviser on Ministers' Interests: independent or not? Government Response to the Committee's Twenty Second Report of Session 2010–12	HC 976

Session 2010–12

First Report	Who does UK National Strategy?	HC 435 (HC 713)
Second Report	Government Responses to the Committee's Eighth and Ninth Reports of Session 2009–10: Goats and Tsars: Ministerial and other appointments from outside Parliament and Too Many Ministers?	HC 150
Third Report	Equitable Life	HC 485 (Cm 7960)
Fourth Report	Pre-appointment hearing for the dual post of First Civil Service Commissioner and Commissioner for Public Appointments	HC 601
Fifth Report	Smaller Government: Shrinking the Quango State	HC 537 (Cm 8044)
Sixth Report	Who does UK National Strategy	HC 713
Seventh Report	Smaller Government: What do Ministers do?	HC 530
Eighth Report	Cabinet Manual	HC 900
Ninth Report	Pre-appointment hearing for the post of Parliamentary and Health Service Ombudsman	HC 1220
Tenth Report	Remuneration of the Parliamentary and Health Service Ombudsman	HC 1350
Eleventh Report	Good Governance and Civil Reform: 'End of Term' Report on Whitehall plans for structural reform	HC 901
Twelfth Report	Government and IT – "a recipe for rip-offs": time for a new approach	HC 715
Thirteenth Report	Change in Government: the agenda for leadership	HC 714
Fourteenth Report	Public Appointments: regulation, recruitment and pay	HC 1389
Fifteenth Report	Smaller Government: What do Ministers do? Further Report with the Government Response to the Committee's Seventh Report of Session 2010–12	HC 1540
Sixteenth Report	Appointment of the Chair of the UK Statistics Authority	HC 910
Seventeenth Report	The Big Society	HC 902
Eighteenth Report	Change in Government: the agenda for leadership. Further Report	HC 1746
Nineteenth Report	Leadership of change: new arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary	HC 1582
Twentieth Report	Government and IT – "a recipe for rip-offs": time for a new approach. Further Report	HC 1724
Twenty-first Report	Future oversight of administrative justice: the proposed abolition of the Administrative Justice and Tribunals Council	HC 1621
Twenty-second Report	The Prime Minister's adviser on Ministers' interests: independent or not?	HC 1621
Twenty-third Report	Leadership of change: new arrangements for the roles of the Head of the Civil Service and the Cabinet Secretary. Further Report	HC 1914
Twenty-fourth Report	Strategic thinking in Government: without National Strategy, can viable Government strategy emerge?	HC 1625