

# [Assess the extent which the nature and the civil service](https://assignbuster.com/assess-the-extent-which-the-nature-and-the-civil-service/)

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The Conservative governments after 1979 set out to radically reform the organisation of the state as part of an agenda to revolutionise the nature and priorities of British government.

In 1979, a Prime Minister was elected who was determined to reform the civil service as part of a broader scheme to transform the nature of British government.

Mrs Thatcher came to power in 1979 with the conviction that certain policies, and certain reforms in the structure of government, was necessary if Britain's economic and social decline was to be halted. Thatcherism brought an ideological approach to politics, determined to drive through sweeping changes. The power given to a government with a parliamentary majority in Britain enabled the Conservatives to achieve these reforms, especially since they won four consecutive elections (1979, 1983, 1987 and 1992) and were in power for 18 years.

Reform of the Civil Service has included the introduction of new management methods, for example the FMI initiative; the separation of policy making from service delivery by the setting up of Next Steps Agencies, the Citizens charter and Market testing; transforming the culture of the civil service through reform of recruitment, promotion and pay scales; injecting competition into agency and department operations through market testing. These reforms are discussed below, followed by an analysis of the political and constitutional implications of civil service reform.

Reform of the Civil Service

Mrs Thatcher had some relatively clear overall objectives but there was no existing blueprint, so policies were introduced in a pragmatic fashion and one change tended to grow out of another.

The reforms of the civil service introduced after 1979 all directly relate to the objectives of the three Es - efficiency, effectiveness and economy. There were three broad types of reform. First, management initiatives aimed at cutting waste and increasing efficiency. Second, separating policy-making from policy delivery by establishing Next Steps Agencies, introducing new methods of accountability, including the Citizens Charter, and extending privatisation through market testing. Third, changing recruitment and promotion patterns to improve the three Es.

These reforms have led to four major concerns: that the Next Steps programme has blurred accountability; that the civil service ethic of neutrality has been undermined; that the policy advice role of senior civil servants has been downgraded and that there are considerable limitations to the extent that Conservative reforms have met the three Es criteria.

Management Initiatives: The Efficiency Unit and the FMI

Two management innovations, introduced in the first years of Mrs Thatcher's first government continue to have significant impact on the character and operating practices of the civil service, even though more radical reforms later took place.

In May 1979, Mrs Thatcher appointed Lord Rayner, managing director of Marks and Spencer, to lead a drive for greater government efficiency by reducing waste. Rayner was appointed on a part-time basis with a staff of six civil servants in an Efficiency Unit. 'Rayner's Raiders' examined aspects of government administration with a view to savings or increased effectiveness, they questioned aspects of the work normally taken for granted and they aimed to speedily implement changes. Their priority was action, not study.

At the same time, Michael Heseltine, Minister of Education, was showing concern over a lack of a clear management structure in his department. One of Rayners first Reviews led to the setting up of a Management Information System for Ministers (MINIS) in 1980, designed to allow the minister to know who did what, why and at what cost. In 1982 Rayners work and the MINIS initiative led to the Financial Management Initiative (FMI) which had the objective of altering management procedures throughout the civil service, giving each department's clear objectives, providing information on costs, establishing well-defined responsibilities for individual civil servants and providing personal rewards for success. More secondments between the public and private sectors were introduced to extend awareness of required management values and help break down the insularity of senior mandarins.

Both these innovations continue to operate. Peter Hennessy suggests that by December 1982 when Rayner returned to Marks & Spencer, 130 scrutinises had saved £170 million and 16, 000 jobs a year and by 1988, some 300 scrutinises had saved over £1 billion. Perhaps the main effect was symbolic.

Nevertheless, there is evidence to suggest that these management initiatives have limitations. In January 1998 Parliament's financial watchdog criticised the Ministry of Defence for 'a fundamental breakdown in financial management and control' in handling £50 billion to pay soldiers over the last eight years. In his report, Sir John Bourn, the Comptroller and Auditor General, said the accounting system for soldiers' pay could be accessed by more than 500 people across the country and could be exploited by fraudsters without anyone knowing. No-one had overall responsibility for the pay budget and £16. 3 million of soldiers' pay was unaccounted for.

A new account set up to replace the faulty system was full of 'unexplained errors'. His criticism followed an annual audit of the accounts which found that the ministry missed its planned spending targets by £375 million and had not realised the errors until days before the end of the financial year. The National Audit Office found money had been wasted, no clear budgets were set or agreed, and costs accelerated without proper checks. Most of this was because the ministry was paying contractors on an hourly rate and not checking whether they were there. As a result Gordon Brown, the Chancellor, ruled that the ministry had broken Treasury rules and refused to authorise the overspending

The 'Next Steps' Agencies

The Efficiency Unit's (1988) report on the achievements of FMI, known as 'Improving Management in Government : The Next Steps', concluded that more radical reforms were necessary if the objectives of transforming the civil service were to be achieved. Civil servants were not generally enthusiastic about the Rayner scrutinies.

The Next Steps agencies which evolved out of the FMI initiative are perhaps the single most significant reform of this period. The most important feature of the 'Next Steps' programme was the division between policy making and policy delivery. The former was to remain with slimmed down central government departments while delivery was to be in the hands of independent executive agencies. Each Executive Agency is headed by a Chief Executive with considerable flexibility to determine the structure and operation of the Agency and the pay, grading and recruitment of personnel. Policy and resourcing remain the responsibility of Departments. The Chief Executives are accountable to the Minister and, through the Minister, to Parliament. The pay of the Chief Executive is linked to the performance of the agency.

Civil servant, Sir Peter Kemp, was the central figure in pushing through the Next Steps programme so quickly. His enthusiasm for reform won him enemies in Whitehall and when he was dismissed in 1992 by William Waldegrave, amid stories of a clash of personality, he did not receive great support from his civil service colleagues. In 1992 it was announced that the work of agencies would be reviewed every five years under a 'Prior Options' scheme whereby fundamental questions are asked, including whether the government needs to perform the particular task at all or whether it can be privatised.

Changing the 'nature' of the civil service.

As part of their objective to transform the attitudes and priorities of civil servants, the Conservatives introduced a range changes in the methods of recruiting, paying and promoting civil servants at all levels. The civil service is no longer a unified service and major inroads have been made to the 'career' nature of the civil service.

Reforms between 1991-1996 gave managers in both government departments and agencies much greater freedom to recruit their own staff and decide on their pay and grading. From 1996 all pay and gradings have been the responsibility of individual agencies and departments and since as early as 1984 there has been a system of merit pay to reward individual performance. There has been a significant move to employ people on fixed-term contracts and to employ part-time staff to cut down on pay and pension costs. Deliberate attempts have been made to re-allocate personnel away from the South East, for example, the Benefits Agency Headquarters was moved from London to Leeds, with the intention of cutting costs. This is part of a system of reforms which aims to encourage individuals to see themselves not as part of the civil service as a whole, but as part of a team working in a commercial environment, aiming to reach targets and showing enterprise and initiative.

These changes marked a clear departure from the traditional civil service where the assumption had been that the civil service needed to recruit people with broadly common qualities and that there was a common structure into which they would be recruited. Now there was a different approach, particularly in agencies, and a belief that each 'business' should recruit the kinds of people it needs and that senior managers should be directly involved in getting the right people into the right posts.

Democratic Accountability

Critics have been concerned about the fragmentation of elected institutions and their replacement by arrangements with no clear focus of responsibility. The Conservative government claimed that reforms have made responsibilities for services clearer to the citizen as consumer and have established some effective mechanisms of redress which deal directly with the organisation responsible. However, they are related to protection of the individual in receipt of a service, not the decision about the level and quality of service appropriate for society as a whole. Accountability can become more obscure as the responsibilities are devolved through executive agencies, their chief executives and on to private organisations which have contracted to undertake specific services. Traditional mechanisms by which government is called to account - such as the responsibility of ministers to parliament, House of Commons select committees and citizen representation to MPs - are straining under the new arrangements.

At the centre of the debate is the Conservative government's claim to have separated policy making and policy delivery, especially in the formation of the Next Steps Agencies.

The Alleged Demise of the Role of Policy Advice

Ministers are 'responsible' in the sense of being publicly accountable for the work of the department and are assumed to be capable of establishing guidelines for their departments, ensuring that the departments followed their policies and ensuring that their officials did not commit abuses or errors in their work. The principle of collective ministerial responsibility is of great significance, reflecting the belief that the work of government can be carried out effectively only if the policies and perspectives of different departments are brought together effectively.

Conclusion

In conclusion I believe that over the past 24 years the civil service, with Thatcher beginning the radical change in the civil service and successive prime ministers continuing and expanding upon these changes, Civil servants are now much more accountable then they once where and also made more pints at which costs and efficiency of civil servants can be monitored.