

Squeezed mandarins: the four big challenges facing the civil service

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*Will the UK civil service be able to deliver Brexit alongside the efficient day-to-day provision of public services and the government's manifesto commitments? A recent National Audit Office report identified three challenges facing Whitehall – complexity, capacity and feasibility – to which **Nicholas Wright** adds a fourth: trust. The suspicion that civil servants are not wholly persuaded by the case for Brexit could prove toxic.*



The scale of the task of withdrawing Britain from the EU has been likened to that of post-war reconstruction and the establishment of the welfare state. Whether looked at from the perspective of the legal, technical and legislative questions that need to be addressed, the requirement for effective co-ordination and management across Whitehall, or the availability of sufficient skills, resources and capacity, it is a daunting project that would place a strain on a civil service operating in optimal conditions. As the recent National Audit Office (NAO) report [Capability in the Civil Service](#) shows, however, today's civil service is operating in a decidedly sub-optimal environment.

Even before the referendum result, Britain's bureaucracy was under significant strain in terms of its ability to meet the myriad of expectations placed upon it. The NAO report identifies three main causes: *complexity*, *capacity* and *feasibility*. To these may be added a fourth, perhaps more political factor: *trust*. Taken together, these highlight the enormous underlying institutional and structural challenges the UK civil service was dealing with before Brexit became the focal point of British political and administrative activity.

Challenge #1: Complexity

"Civil servants are responsible for an increasingly complex range of tasks and projects."

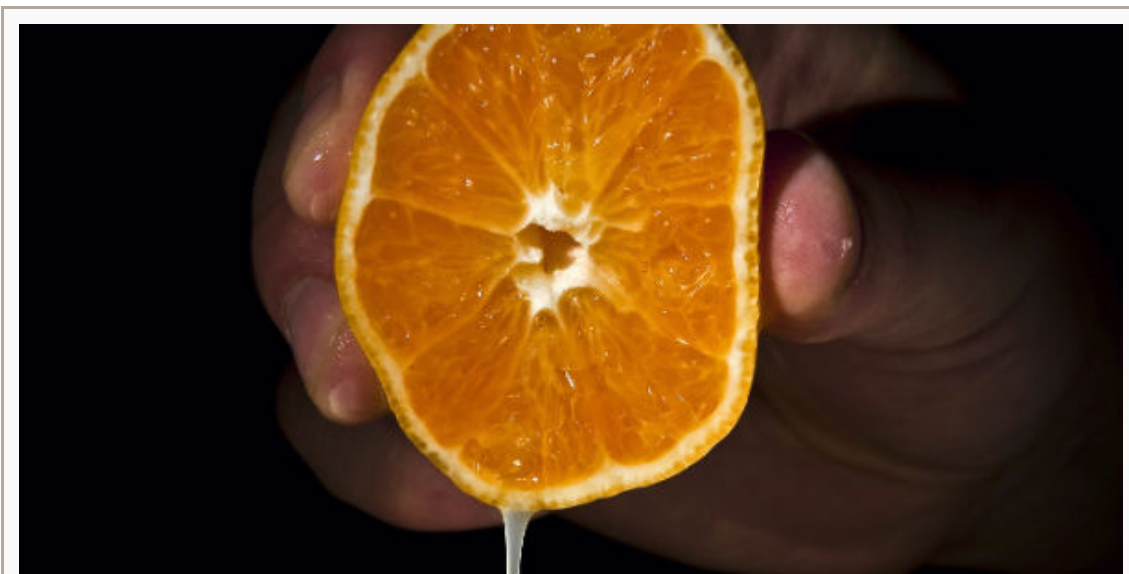


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The NAO's first key finding highlights the difficulties faced in any modern state of delivering effective, value-for-money public services with finite resources and in an environment of technological change and increasing public expectations. The complexity of introducing comprehensive reform of the welfare system through the Universal

Credit policy, and the ongoing discussions about the provision and funding of adequate social care to an ageing population are two salient illustrations of this challenge.

The government also currently has a roster of 143 highly complex, [major transformative projects](#) underway across Whitehall with estimated whole-life costs of £405bn. Each involves a range of ministries and agencies and if they are to be brought to a successful conclusion, each requires clarity of objectives, careful planning and effective whole-life project management. Each must also be delivered alongside the rest of the government's workload.

The delivery of major projects – and specifically the management of complexity – has been an area of weakness on a number of occasions for the civil service in the past, resulting in some very significant cost over-runs (for example, [Labour's National Programme for IT](#)). Both the NAO and the [House of Commons Public Accounts Committee](#) identify the complexity challenge as an area of particular concern.

Challenge #2: Capacity

"Weakness in capability undermines government's ability to achieve its objectives [...] many delivery problems can be traced to weaknesses in capability."

Exacerbating the first challenge is that of capacity. The civil service has seen a 26% reduction in its numbers since 2006 – a reminder that while the austerity policies pursued since 2010 have had a very significant impact on capacity, the issue of resource constraints has been a longer-term problem. (Consider, for example, [the major staff reductions undertaken by the Foreign and Commonwealth Office](#) over the last decade.) Today, as Brexit formally begins, the civil service is smaller than at any point since the end of the Second World War.

Numbers only tell part of the story, however. Accompanying this is an emerging skills deficit in three key areas – digital, commercial and delivery – that will affect the overall capacity of the civil service to meet the expectations placed upon it. The NAO believes, for example, that this capabilities gap contributed to the collapse of the InterCity West Coast franchising process in 2012, a view supported by a [2013 Transport Committee report](#).

Just to enable the delivery of existing programmes, the NAO suggests an additional 2,000 staff will be needed in digital roles over the next five years, at an estimated cost of between £145 million and £244 million. (The Government's own [Digital Service](#) and [Infrastructure and Projects Authority](#) indicate the cost of filling the delivery skills deficit may actually be even greater.)

Challenge #3: Feasibility

"Government projects too often go ahead without government knowing whether departments have the skills to deliver them."

This third challenge identified very much emanates from the problems caused by the first two. The government, according to the Public Accounts Committee's 2016 report, continually "adds to its list of activities without effective prioritisation". When we consider some of the major projects currently underway – Crossrail/Thameslink, Hinkley Point C, High Speed 2, and Trident Renewal – criticism by John Marzoni, Chief Executive of the Civil Service, that government is doing "[30% too much to do it all well](#)" does not seem misplaced.

A key issue has been a lack of consideration *at the outset of major projects* of their overall feasibility. In particular, insufficient attention is paid to whether the requisite skills are available within departments, whether the right people are in the right posts, whether there is sufficient senior project leadership, etc. (The NAO notes that in the 2015-16 period, 22% of posts were "unfilled for senior recruitment competitions".) Ultimately, government lacks "a clear picture of its current skills" because of insufficient workforce planning.

Moreover, efforts to remedy this problem – for example through the introduction of *Single Departmental Plans* –

have been questioned. The NAO has therefore called on government to clearly prioritise projects and activities as a matter of urgency until it is able to fill the capability gaps outlined above.

Challenge #4: Trust

While not addressed by the NAO report, the issue of trust in the civil service is also hugely important.

Problems of complexity, capacity and feasibility all risk fuelling feelings of scepticism that the civil service is equipped to meet the expectations placed on it. For example, Margaret Hodge, Chair of the Public Accounts Committee from 2010-2015, highlighted concerns that officials did not recognise the consequences of poor decisions: “all too often the responsible officials [...] felt no sense of personal responsibility because it was not their own money.” Major IT projects were the subject of particular scepticism: “[I]f any official mentioned a new IT project in their evidence to the committee, we would laugh at the idea that this might be introduced on time, within budget and save money.”

Alongside this, though, is the problem of what might be termed *political* trust, and particularly the perception among politicians that the civil service is unwilling to enact policies it may disagree with, something most new governments (rightly or wrongly) have been concerned with. Perhaps the most extreme recent example of this was Michael Gove’s efforts as Education Secretary in the Coalition government to implement his reforms in the face of what he and some of his own officials considered institutionalised opposition from the education establishment.

Lack of trust in the civil service’s capacity, whilst damaging, can be remedied by a government willing to prioritise change and back this up with sufficient resources. Lack of political trust, however, can be more corrosive, particularly if it results in toxic relationships between ministers and the officials responsible for enacting their policies.

The Brexit challenge

All four of these challenges will be exacerbated by Brexit in terms of its impact on the other activities of government. At the same time, all four will themselves impact the delivery of Brexit itself.

The challenge Brexit will pose has been highlighted by officials and analysts alike. For example, Lord Kerlake, head of the civil service from 2012-2014, has expressed concern that there are simply not enough civil servants to implement it whilst simultaneously taking other policies forward: “there will be a real issue about numbers to deliver these very big demands”. This view is echoed by Lord O’Donnell, the former Cabinet Secretary, and by both the Public and Commercial Services Union, which claims the civil service is “woefully understaffed and underprepared”, and Prospect, which highlighted a “lack of resources and expertise in Whitehall and beyond” as a key concern of its members.

Meanwhile, the Institute for Government and UK in a Changing Europe research project recently identified **four key challenges that Brexit will pose to the UK civil service**: analysis and policy-making; co-ordination; legislative capacity; delivery and implementation. Each of these will be affected by how the government manages the challenge of complexity, particularly involving multiple ministries and agencies; whether it ensures sufficient resources are available and appropriately allocated; and whether it is able to clearly prioritise goals and objectives to ensure feasibility of outcomes. In each case, progress had been made ahead of the triggering of Article 50. The challenge now is to ensure this continues once the negotiations formally begin.

And of course, the question of trust will loom large over the whole process.

The civil service must deliver Brexit in what remains a politically toxic atmosphere, as the departure of Sir Ivan Rogers as the UK’s Permanent Representative to the EU in January reminds us. In his **final message to his staff**, Rogers reminded them of their responsibility to “challenge ill-founded arguments and muddled thinking and [to] never be afraid to speak the truth to those in power”. At the same time, his resignation was met by **calls in some**

[quarters](#) for his replacement to be a committed 'Brexit'eer'.

In short, the civil servants responsible for enacting Brexit will do so in a politically charged environment where their every move will be closely scrutinised. However difficult (and legitimate) the challenges of complexity, capacity and feasibility may be, they may not be sufficient to excuse a perceived lack of progress. Loss of trust could therefore become a very serious challenge as the two-year deadline approaches.

Brexit will take up a huge amount of political and administrative bandwidth in the coming months and years. In the words of Sir Jeremy Heywood, the current Cabinet Secretary, it will be "the biggest, most complex challenge facing the civil service in our peacetime history." It is also a microcosm of how the four key challenges of complexity, capacity, feasibility and trust have the potential, if poorly managed, to create a 'perfect storm' for the officials responsible for delivering it.

This post represents the views of the author and not those of the Brexit blog, nor the LSE.

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Also by this author: [Brexit means Brexit: but is Whitehall up to the challenge?](#)

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