

16th Annual Hinton Lecture

‘Policymaking and implementation—how decision-making in Whitehall can be broadened and linked to the views and needs of public service users’.

Rt Hon Peter Riddell CBE, Director, Institute for Government

I am honoured to have been asked to give this lecture following so many distinguished speakers—but the real honour linking all the speakers is that the series commemorates the life and work of Nicholas Hinton. I never knew him but his energy, drive, clarity and achievements at Nacro, the Save the Children Fund and the International Crisis Group, as well as leading the National Council for Voluntary Organisations, made a deep impact during his 54 years and are rightly remembered this evening. I am pleased and honoured that his widow Deborah and daughter Josie are in the audience tonight.

The voluntary and charitable sector is in turmoil at present. The Charity Commission is under fire from Parliament and faces big budget cuts, while the sector as a whole is grappling with the lobbying bill currently and briefly paused in the House of Lords. At the same time, the sector has become an increasing provider of public services funded by the taxpayer while the Government is squeezing or reducing spending in many areas with no end of austerity in sight. This presents an acute dilemma for the sector-- should it, can it, replace state provision? And are there negative sides to the diversity of the sector in a reluctance to share learning? There are plenty of people in this audience better placed than me to comment on these pressures but I will touch on some of them during the course of this lecture, and no doubt also during the question and answer session.

The main thrust of my remarks will be about my direct experience from the Institute for Government on policymaking and links between Whitehall and the voluntary sector. This, I would mention in passing, is my third involvement with the charitable sector. For five years, until mid-2012, I chaired the Hansard

Society which promotes the understanding of representative democracy. And I am currently a Governor of Dulwich College in south London, an independent school which is at the vanguard of promoting public benefit though its work not only with two academies and a number of local schools but also in extending bursaries. For the past two years I have been Director or chief executive of the Institute for Government.

The Institute was set up five years ago by David Sainsbury, Lord Sainsbury of Turville. After eight years as Science Minister, he concluded that government didn't work as well as it should. He looked around the world at various models and concluded with what has become the Institute. He chairs the board of Governors. We are strictly non-partisan with prominent members of all three main national parties on the Board of Governors along with people from the business, and academic worlds, as well as Whitehall. The Gatsby Charitable Foundation, the Sainsbury family trusts, remains the predominant funder in a long-term commitment, providing us with both security and independence. In addition, we are increasing the share of income from other sources, including research councils and charitable foundations, some of whom I am glad to see are represented here tonight. We now employ 42 people, including a six monthly cycle of four to five paid interns recruited on a competitive basis.

Our mission is to improve the effectiveness of government—the machinery and processes—we steer clear of policy, though obviously the lines can be blurred. We are not a conventional think tank though we do produce thoroughly researched reports and hold public events like think tanks. But the key part of our mission is to change how government works. This involves close engagement with policymakers, ministers, special advisers, civil servants.

Our recent work includes reports on public service markets and outsourcing, a 14 month long study of accountability of civil servants and ministers, a wide-ranging survey of input, output and outcome measures in Whitehall (in effect an anatomy of Whitehall), several studies of civil service reform and an analysis of the internal transformation programme at the Education Department. And there are many more. Our aim is to try and influence insiders to consider our proposals.

In parenthesis, we also work with politicians and advisers to improve their effectiveness, not as constituency MPs or in their electoral or party roles but in preparing for and holding office. Before the 2010 election we worked with Francis Maude and his Conservative implementation team in organising briefing sessions on how government worked and did a limited amount with the Liberal Democrats, largely because of their wariness at appearing presumptuous in preparing for office- a lesson they have now no doubt learnt. Now, too, we plan to work with the Labour Opposition on a similar programme of helping to understand government and how it has changed in the past three and a half years. And we will work with the two coalition parties on the lessons since 2010 for becoming more effective in government after May 2015. Note this involves the three main national parties—though we haven't ignored contacts in other contexts with UKIP and the nationalist parties. None of this can remotely be described as campaigning, or favouring one party over another. But we—like so many other organisations—are concerned that we could be affected by the lobbying bill unless it is substantially amended.

One of the central messages we will convey in our pre-election work is about improving policymaking. Under the energetic leadership of a former civil servant Jill Rutter, the Institute held a series of seminars on policy successes, not the more familiar and obvious list of failures. She assembled what she called reunions—of ministers, advisers and officials who had been involved in the privatisation of British Telecom, the national minimum wage, Scottish devolution, the Turner pension review, the ban on smoking in public places and the Climate Change Act.

The main conclusions – as stated in the report *The S Factors*- were the need to understand and learn from failure; to open up the policy process; to be rigorous in the analysis and use of evidence; to take time and build in scope for iteration and adaptation; to recognise the importance of individual leadership; to create new institutions for overcoming policy inertia; and to build a wide constituency of support.

Initially, the report recommending improvements in the policymaking process was very coolly received in Whitehall—the line was that everything is fine in an area we know all about and 'not invented here'. But a combination of time, a stronger emphasis on policymaking in civil service reform and changes of

people have seen the Institute's ideas taken up across Whitehall as a model for better policymaking. Two months ago, the government's own review of policy was launched at the Institute by Oliver Letwin and Chris Wormald, the head of the policy profession among permanent secretaries. I am under no illusions that policymaking will suddenly improve—there are still too many examples to the contrary. But through persistence, and persuasion, the Institute's views now provide a benchmark for good practice.

But, once this work was published, we were aware that there were gaps—notably in looking at how policy is implemented—since one of the main reasons why policies fail is insufficient attention at an early stage about how they will work in practice. This is not just a British disease—look at the problems that the Obama administration is now facing over the introduction of the Affordable Care Act. Crucially, most of the policy successes I mentioned earlier allowed time for consideration of implementation—whether through pilots or other trials. The Institute is now undertaking a major project on implementation which will report next year. The impossibility of dividing policymaking from implementation also shows why there is no simple answer to the problems of accountability in Whitehall. There is seldom a neat division of accountability and responsibility between Secretaries of State and Permanent Secretaries.

There is also too often a gap between Whitehall policymakers and those implementing policy on the ground. Over the past year the Institute has been addressing this question in partnership with the Big Lottery Fund. The Connecting Policy with Practice programme, run by Nicola Hughes, has brought together Whitehall officials and those who deliver services. The Big Lottery Fund is spending over £300 million over the next five to eight years to address some of the most complicated challenges in public services, such as helping young people who are furthest from the labour market and jobs, and adults with multiple needs.

The Institute's aim has been to find out what can be learnt from these projects to help government to operate more effectively. The process of bringing officials together with those on the frontline has been central. There has been a cohort of thirty people from the departments for Work and Pensions, Education, Justice and the Cabinet Office, local authorities, and voluntary

sector organisations leading Big Lottery funded partnerships or working with related client groups. Participants were placed in 'learning pairs' who undertook exchanges and visits to local services and carried out research projects around the themes of service design, funding and collaboration. This is intended not just to benefit the individual officials and to create lasting relationships between the civil service and the voluntary sector—officials are responsible for sharing the lessons in their departments. In many cases, Whitehall departments are used to dealing with the large, national charities and this project offers a chance to hear from and talk to smaller, local, and often innovative, groups.

It is still early days—and we are in discussions with the Big Lottery Fund about continuing the partnership into a second year. But Nicola Hughes has already identified some findings -- in particular, the persistence of silo approaches in Whitehall when the problems of those most in need of help are less clearcut and often messier and more complicated. The next phase would look at how these constraints might be overcome.

There are three main conclusions which feed back into our broader work:-

First, the advantages of direct engagement with local providers and service users

Second, the need to consider implementation throughout policy design and decision-making.

Third, at the centre, even more effort has to go into cross-cutting programmes, especially in an era when overall spending will be squeezed for years to come.

I recently visited the Scottish Government in Edinburgh where departmental divisions have been replaced by a portfolio approach—well set out by Sir John Elvidge, the former Scottish Permanent Secretary, in his pamphlet *Northern Exposure* published by the Institute. Of course, Scotland is only a tenth the size of England and the key officials all work in the same building—but this approach, pioneered in Finland, has led to some innovative work on early years' interventions by the state and the voluntary sector working together.

Tonight I have just identified some possible ways forward to improve the ways that policies are implemented on the ground. The message to civil servants is

get out- the man, and nowadays, woman, in Whitehall, and particularly the Treasury, do not know best or know everything. And the message for the voluntary sector is that Whitehall is not always remote— many officials are eager to engage and learn. I am sure Nicholas Hinton would have relished the opportunity.

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