



House of Commons  
Public Administration  
Select Committee

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# **Work of the Committee in 2004**

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**Second Report of Session 2004–05**





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**Second Report of Session 2004–05**

*Report, together with formal minutes*

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## The Public Administration Select Committee

The Public Administration Select Committee is appointed by the House of Commons to examine the reports of the Parliamentary Commissioner for Administration, of the Health Service Commissioners for England, Scotland and Wales and of the Parliamentary Ombudsman for Northern Ireland, which are laid before this House, and matters in connection therewith and to consider matters relating to the quality and standards of administration provided by civil service departments, and other matters relating to the civil service; and the committee shall consist of eleven members.

### Current membership

Tony Wright MP (*Labour, Cannock Chase*) (Chairman)  
Annette Brooke MP (*Liberal Democrat, Mid Dorset and Poole North*)  
Mrs Anne Campbell MP (*Labour, Cambridge*)  
Sir Sydney Chapman MP (*Conservative, Chipping Barnet*)  
Mr David Heyes MP (*Labour, Ashton under Lyne*)  
Mr Kelvin Hopkins MP (*Labour, Luton North*)  
Mr Ian Liddell-Grainger MP (*Conservative, Bridgwater*)  
Mr Gordon Prentice MP (*Labour, Pendle*)  
Hon Michael Trend, CBE MP (*Conservative, Windsor*)  
Brian White MP (*Labour, Milton Keynes North East*)  
Iain Wright MP (*Labour, Hartlepool*)

The following members were also members of the committee during the parliament.

Mr Kevin Brennan MP (*Labour, Cardiff West*)

### Powers

The committee is one of the select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 146. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at [www.parliament.uk/parliamentary\\_committees/public\\_administration\\_select\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/public_administration_select_committee.cfm). A list of Reports of the Committee in the present Parliament is at the back of this volume.

### Committee staff

The current staff of the Committee are Philip Aylett (Clerk), Clive Porro (Second Clerk), Lucinda Maer (Committee Specialist), Jackie Recardo (Committee Assistant), Jenny Pickard (Committee Secretary) and Phil Jones (Senior Office Clerk).

### Contacts

All correspondence should be addressed to the Clerk of the Public Administration Select Committee, Committee Office, First Floor, 7 Millbank, House of Commons, London SW1P 3JA. The telephone number for general enquiries is 020 7219 3284; the Committee's email address is [pubadmincom@parliament.uk](mailto:pubadmincom@parliament.uk)

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# Report

## Introduction

1. This report reviews the activities of the Public Administration Select Committee in 2004. The Committee's inquiries have reflected the broad themes we have been pursuing during this Parliament: public service reform; constitutional modernisation; and administrative improvement. It is now the third year that our work programme has been undertaken in the context of indicative 'core tasks' determined by the Liaison Committee.

## Working Methods

2. We have taken oral evidence on 23 occasions, from a total of 55 witnesses on a wide range of inquiries and published five major reports. Table 1 below summarises our formal programme.

**Table 1: Subjects covered by the Public Administration Select Committee, 2004**

Subject	Evidence sessions in 2004	Outcome
A Draft Civil Service Bill: Completing the Reform	-	Report, January 2004
The Work of the Committee in 2003	-	Report, January 2004
Ministerial Accountability and Parliamentary Questions	-	Report, March 2004
Taming the Prerogative: Strengthening Ministerial Accountability to Parliament	-	Report, March 2004
A Matter of Honour: Reforming the Honours System	7	Report, July 2004
The Work of the Ombudsman	1	Evidence, January 2004
The Work of the Ombudsman: Access to Information	1	Evidence, March 2004
The Work of the Ombudsman: NHS Complaints System	1	Evidence, March 2004
Review of Government Communications	3	Evidence, February 2004
Civil Service Issues	1	Evidence, April 2004
Work of the Cabinet Office	1	Evidence, May 2004
Government by Inquiry	7	Evidence, June–December 2004. Report February 2005
Choice, Voice and Public Services	1	Evidence, November 2004 to Present. Report to be published.

3. In addition we have hosted a number of conferences and organised seminars to inform some of our inquiries. Visits have also formed an important and necessary element of our work. During the course of our inquiries we travelled out of Westminster to Cardiff, Washington and North Carolina, Paris, the Civil Service College in Sunningdale and the Ceremonial Secretariat in Whitehall.

Table 2: Visits by the Public Administration Select Committee in 2004

Location	Purpose of visit
Cardiff, Wales	Public Service Reform and Work of the Ombudsman
United States: Washington and North Carolina	Inquiry into Government by Inquiry and Public Service Reform
Paris, France	Inquiry into Reform of the Civil Service and Public Service Reform
Berkshire, Sunningdale	Inquiry into Civil Service Issues
Ceremonial Secretariat, Whitehall	Inquiry into the Honours System

4. Although not strictly a departmental committee we do examine the work of the Cabinet Office and of the Parliamentary Commissioner for Administration and the Health Service Commissioner (the Ombudsman), and are particularly concerned with the quality of administration within a wide policy perspective. The Report goes on to consider our main activities this year in relation to the core tasks.

## Core Tasks

### *Government policy proposals*

5. Earlier in this session, the Committee began an inquiry into the use of independent, investigatory inquiries (Government by Inquiry) considering, among other things, whether there should be greater parliamentary involvement in the establishment of inquiries. We took extensive evidence from many chairs of inquiries, including the Rt Hon Lord Hutton, the Rt Hon Lord Butler of Brockwell, Sir Alan Budd and Lord Laming as well as from former senior ministers: the Rt Hon Lord Heseltine and Rt Hon Frank Dobson MP. These witnesses provided us with a valuable insight into the inquiry process, drawing heavily on their own experiences. Our inquiry complemented the Department for Constitutional Affairs' own consultation into 'Effective Inquiries'. The Department contributed to our own inquiry including oral evidence from the minister with policy responsibility in this area, the Rt Hon Lord Falconer of Thoroton, Secretary of State for Constitutional Affairs and Lord Chancellor. The Government have now introduced its Inquiries Bill in this session.<sup>1</sup> We reported on 3 February 2005.

6. Following our earlier inquiries on public service reform which looked at the public service ethos and use of targets in the public sector the Committee also conducted an inquiry into Choice, Voice and Public Services.<sup>2</sup> We began with an informal seminar in which government experts, academics, 'think tanks' and the voluntary sector participated. We also commissioned a survey on public attitudes to choice from the National Audit Office which underpinned much of our thinking and visited Birmingham in early 2005 to gain some first hand views from users and providers of public services.

7. The inquiry focused on whether radically widening choices for users of public services is practicable and will achieve sustainable improvement in the provisions of services. We also

<sup>1</sup> Inquiries Bill [Lords] [Bill 7 (2004–05)]

<sup>2</sup> Seventh Report of Session 2001–02, *The Public Service Ethos*, HC 263-I and Fifth Report of Session 2002–03, *On Target? Government by Measurement*, HC 62-I

explored the role of other approaches such as a more effective complaints and redress system and appropriate user representation on the bodies who oversee the operation of these services.

### ***Areas seen by the Committee as requiring examination because of deficiencies***

8. We published our first report of the session, *A Draft Civil Service Bill: Completing the Reform*, on 5 January 2004. We received a positive interim response to it within days. Our recommendation calling for a civil service bill was accepted by Mr Douglas Alexander MP, the then Cabinet Office Minister, on the floor of the House on 21 January 2004 when he promised the Government would publish a bill before the end of the session. It duly published its own draft civil service bill for consultation on 15 November. We welcome the Government's draft bill and consultation paper which fulfils its promise to us to bring this forward before the end of the session. There is, however, still a suspicion in some quarters that the Government is not really committed to Civil Service legislation, and that suspicion will be reinforced by the fact that this consultation document asks whether a Bill is necessary at all. Nonetheless it keeps up the momentum on this issue at a time when major reform of the Civil Service is in the air. It is also the first time a government has come forward with a firm proposal to put the Civil Service on a statutory footing, and give its core values constitutional protection. The task now is to move rapidly from a draft Bill to legislation, early on in the new Parliament.

9. The Committee also made recommendations for a radical reform of the honours system which we found to favour civil servants, diplomats and members of the armed forces unfairly. The report aroused widespread media and public interest. We called for a simpler system which replaced the current Order of the British Empire with a new Order of British Excellence; an end to the Orders that are now given almost exclusively to civil servants and diplomats; a phasing-out of knighthoods and damehoods; and a new Honours Commission which would create greater transparency in decision making on honours. The Government has been conducting its own review of honours. We await its response.

### ***Departmental actions***

10. The Committee's remit is to examine the reports of the Parliamentary Commissioner for Administration and Health Service Commissioner, Ann Abraham. We have this year pursued the Ombudsman's concerns about the new NHS complaints system on which we took oral evidence. We await the Ombudsman's special report in early 2005 and will follow it up in due course. We are pleased that the Ombudsman has opened a new inquiry into *Equitable Life*, the terms of which reflect the points the Committee made to the Ombudsman. The Committee has been strongly supportive of the commitment shown by Ann Abraham to the creation of a modern complaints service. In addition to formal oral evidence, the Committee held an informal seminar with the Ombudsman and her senior staff, to exchange views on improvements to the service the Office provides. We also surveyed Members jointly with the Ombudsman on the work of her Office, in particular whether the MP filter should be retained.

11. The Committee has been reporting regularly on the question of Ministerial Accountability and Parliamentary Questions since 1996 following publication of the Scott

Report on 'Arms to Iraq'.<sup>3</sup> Our most recent report covered the 2000–01 and 2001–02 parliamentary sessions. We have continued to raise concerns about the quality of Ministers' answers to Members' written questions and the continuing failure by many Departments to cite the appropriate exemption of the Code of Practice on Access to Government Information when they refuse to answer a question. We also undertook an assessment of each Department's guidance on answering Parliamentary Questions and recommended that Cabinet Office should ensure that best practice was disseminated and central guidance followed rigorously across Whitehall.

### **Associated Public Bodies and Major Appointments**

12. In our report on the events at the former Department of Transport, Local Government and the Regions in 2001, which raised issues about the role of special advisers and led to the resignations of the Secretary of State, the Rt Hon Stephen Byers MP, we recommended, and the Government agreed to, a review of government communications.<sup>4</sup> We took evidence from Sir Bob Phillis, chair of the Review Group of Government Information and Communication Services following publication of its report. A central recommendation of that report was the restructuring of the Government Information and Communications Service, including the appointment of a Permanent Secretary, Government Communications. We also took evidence from the Editor of the Daily Mail, Mr Paul Dacre, the Chairman of the Press Complaints Commission, Sir Christopher Meyer, and the former Director of Government Communications at No.10 Downing Street, Mr Alastair Campbell.

13. In agreeing to a radical review of government information services, the Government recognised, as we did, that those who speak for ministers must have the public interest as their first priority. All of them, politically appointed or not, are servants of the public, and there must be no tolerance of those who pursue sectional interests and personal agendas. Neither must the media forget the need to report fairly and honestly. The Government should play it straight and the media should play it fair as the basis for a new relationship between government and media, for the benefit of the public. The Government has now announced a restructuring of its communications service in a bid to improve trust in politicians and civil servants. We look forward to taking evidence from the new Permanent Secretary, Mr Howell James, in due course to see how well the new arrangements are bedding down.

### **Draft Legislation**

14. The scrutiny of bills and draft bills has become an increasing part of the work programme of many committees. Although the opportunities for our Committee to consider bills are rare we have nonetheless published draft bills on the Civil Service (see paragraph 8 above) and on the Executive's prerogative powers to demonstrate the feasibility of the Committee's recommendation calling for legislation in these areas. In particular our Civil Service Bill has paved the way for Government consultation on its own

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<sup>3</sup> Sir Richard Scott, *Report of the Inquiry into the Export of Defence Equipment and Dual-Use Goods to Iraq and Related Prosecutions* HC (1995–96) 115

<sup>4</sup> Eighth Report of session 2001–02, *These Unfortunate Events:: Lessons of Recent Events at the former DTLR*, HC 303



## Examination of Government Expenditure and PSA Targets

16. We undertake an annual examination of the Cabinet Office's performance and expenditure following the publication of its annual report, drawing on the valuable expertise of the Scrutiny Unit of the Committee Office. We held an evidence session with the Cabinet Secretary, Sir Andrew Turnbull and other officials on 1 April 2004. The session with the Rt Hon Ruth Kelly MP, had to be cancelled when she was unexpectedly promoted to the Cabinet on the eve of her appearance. We look forward to a reinstated session with her successor, David Miliband MP.

## Innovations in Working Methods

17. We have already commented on the Committee's introduction of its own bills. We have also continued the practice of hosting conferences on issues of relevance to our work in association with the Committee on Standards in Public Life and the Constitution Unit of University College London. The most recent half day conference 'From Sleaze to Trust?' attracted around 180 people. Speakers included the Rt Hon Peter Hain MP, Leader of the House; the Permanent Secretary for Government Communications, Mr Howell James and Sir George Young Bt, MP, Chair of the Standards and Privileges Select Committee.

18. The Committee also held a half-day conference on 'Appointment by Lot—A Role for the Citizen in Governance?' with the Centre for Public Scrutiny and the Institute for Public Policy Research. The conference focussed on the way in which thousands of people are appointed in the UK every year to public institutions and discussed current procedures for appointment and possible alternatives.

## Assisting the House

19. Our report on a civil service bill was tagged to a debate in the Chamber in January 2004 in an Opposition Day debate on the civil service at which the then Minister for the Cabinet Office, Douglas Alexander MP, gave the Government's commitment to produce a draft bill before the end of the session (see paragraph 8 above). In addition, two of the Committee's reports have been debated in Westminster Hall: The Ninth Report of Session 2001–02, on Ministerial Accountability and Parliamentary Questions was the subject of debate in January 2004; and the Fifth Report of session 2003–4, 'On Target? Government by Measurement' was debated in February 2004.

## Relationship with Departments

20. The committee's remit, stretching across the whole of government as well as watchdogs such as the Office of the Commissioner for Public Appointments and the Civil Service Commission in addition to the Ombudsman means that we have to focus in areas which we consider to be of particular importance or topicality. The assistance of Government, particularly at the 'Centre', is therefore important. Our relationship with the Cabinet Office is good. For example in addition to oral evidence in its inquiry on the Honours System, we paid an informal visit to the Cabinet Office's Ceremonial Secretariat, and were supplied with data on awards and nominations, on which we conducted some useful analysis.

21. A particular development has been the Committee's relationship with the new Department for Constitutional Affairs (DCA) on two particular inquiries: Honours and Inquiries, where coincidentally we undertook parallel reviews. On Inquiries the Committee and the Department worked together to ensure that both exercises, while separate, have complemented one another. The DCA consultation responses were copied to the Committee and officials have worked with Committee staff to ensure that there was no duplication of effort on factual information.

### **Future work**

22. There is much talk about the quality of public services, but too little attention has been paid to the quality of the people who manage and help deliver them. While parties apparently compete to take the axe to civil service numbers, and major reviews such as those of Sir Peter Gershon and Sir Michael Lyons lead to plans for radical restructuring, it is easy to forget the basic need for civil servants to have the right skills and be led in the right way.

23. We have already examined the idea of the public service ethos and the assessed the use of targets. We are looking at the place of choice in public services and next we will be turning the spotlight on the skills and organisation of the Civil Service. Our work on a draft Civil Service Bill has prompted an encouraging focus on the need to bolster, with Parliament's close involvement, the vital Service principles of political neutrality and objectivity. But it is absolutely vital that civil servants have the capacity and support to do the job effectively.

## Formal minutes

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**Thursday 3 February 2005**

Members present:

Tony Wright, in the Chair

Mrs Anne Campbell  
Mr Kelvin Hopkins  
Mr Ian Liddell-Grainger

Mr Gordon Prentice  
Iain Wright

The Committee deliberated.

Draft Report (Work of the Committee in 2004), proposed by the Chairman, brought up and read.

*Ordered*, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 23 agreed to.

*Resolved*, That the Report be the Second Report of the Committee to the House.

*Ordered*, That the Chairman do make the Report to the House.

[Adjourned till Thursday 10 February at 10.00am

# Reports from the Public Administration Select Committee since 2001

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## Session 2004–05

First Report	Government by Inquiry	HC 51–I
Second Report	Work of the Committee in 2004	HC 306

## Session 2003–04

First Report	A Draft Civil Service Bill: Completing the Reform	HC 128–I
Second Report	The Work of the Committee in 2003	HC 229
Third Report	Ministerial Accountability and Parliamentary Questions	HC 355 ( <i>HC 1262</i> )
Fourth Report	Taming the Prerogative: Strengthening Ministerial Accountability to Parliament	HC 422 ( <i>Cm 6187</i> )
Fifth Report	A Matter of Honour: Reforming the Honours System	HC 212–I
First Special Report	Ministerial Accountability and Parliamentary Questions: Government Response to the Committee's Third Report of Session 2003–04	HC 1262

## Session 2002–03

First Special Report	The Public Service Ethos: Government's Response to the Committee's Seventh Report of Session 2001–02	HC 61
First Report	Ministerial Accountability and Parliamentary Questions: The Government Response to the Ninth Report from the Committee (Session 2001–02)	HC 136
Second Report	The Work of the Committee in 2002	HC 447
Third Report	Ombudsman Issues	HC 448 ( <i>Cm 5890</i> )
Fourth Report	Government By Appointment: Opening up the Patronage State	HC 165–I
Fifth Report	On Target? Government By Measurement	HC 62–I ( <i>HC 1264</i> )
Sixth Report	On Target? Government By Measurement: the Government's Response to the Committee's Fifth Report	HC 1264

## Session 2001–02

First Report	Public Participation: Issues and Innovations: The Government Response to the Committee's Sixth Report of Session 2000–01	HC 334
Second Report	The Ministerial Code: Improving the Rule Book: The Government Response to the Committee's Third Report of Session 2000–01	HC 439
Third Report	Special Advisers: Boon or Bane: The Government Response to the Committee's Fourth Report of	HC 463

Session 2000–01		
Fourth Report	Ministerial Accountability and Parliamentary Questions: The Government Response to the Committee’s Second Report of Session 2000–01	HC 464
Fifth Report	The Second Chamber: Continuing the Reform	HC 494–I ( <i>HC 794</i> )
Sixth Report	The Second Chamber: Continuing the Reform: The Government Response to the Committee’s Fifth Report	HC 794
Seventh Report	The Public Service Ethos	HC 263–I ( <i>HC 61</i> )
Eighth Report	“These Unfortunate Events”: Lessons of Recent Events at the Former DTLR	HC 303–I ( <i>Cm 5756</i> )
Ninth Report	Ministerial Accountability and Parliamentary Questions	HC 1086 ( <i>HC 136</i> )

The response to the report is printed in brackets after the HC printing number.