



House of Commons  
Liaison Committee

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# **The work of committees in 2007**

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**Third Report of Session 2007–08**





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**Third Report of Session 2007–08**

*Report, together with appendices and formal minutes*

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## The Liaison Committee

The Liaison Committee is appointed to consider general matters relating to the work of select committees; to advise the House of Commons Commission on select committees; to choose select committee reports for debate in the House and to hear evidence from the Prime Minister on matters of public policy.

### Current membership

Mr Alan Williams MP (*Labour, Swansea West*) (Chairman)

The Chairmen for the time being of the Select Committees listed below:

Administration – Mr Frank Doran MP (*Labour, Aberdeen North*)  
Business and Enterprise – Peter Luff MP (*Conservative, Mid Worcestershire*)  
Children, Schools and Families – Mr Barry Sheerman MP (*Labour/Co-op, Huddersfield*)  
Communities and Local Government – Dr Phyllis Starkey MP (*Labour, Milton Keynes South West*)  
Culture, Media and Sport – Mr John Whittingdale MP (*Conservative, Maldon and Chelmsford East*)  
Defence – Mr James Arbuthnot MP (*Conservative, North East Hampshire*)  
Environmental Audit – Mr Tim Yeo MP (*Conservative, South Suffolk*)  
Environment, Food and Rural Affairs – Mr Michael Jack MP (*Conservative, Fylde*)  
European Scrutiny – Michael Connarty MP (*Labour, Linlithgow and East Falkirk*)  
Finance and Services – Sir Stuart Bell MP (*Labour, Middlesbrough*)  
Foreign Affairs – Mike Gapes MP (*Labour/Co-op, Ilford South*)  
Health – Mr Kevin Barron MP (*Labour, Rother Valley*)  
Home Affairs – Keith Vaz MP (*Labour, Leicester East*)  
Human Rights (Joint Committee) – Mr Andrew Dismore MP (*Labour, Hendon*)  
Innovation, Universities, Science and Skills – Mr Phil Willis MP (*Liberal Democrat, Harrogate and Knaresborough*)  
International Development – Malcolm Bruce MP (*Liberal Democrat, Gordon*)  
Justice – Mr Alan Beith MP (*Liberal Democrat, Berwick-upon-Tweed*)  
Northern Ireland Affairs – Sir Patrick Cormack MP (*Conservative, South Staffordshire*)  
Procedure – Mr Greg Knight MP (*Conservative, Yorkshire East*)  
Public Accounts – Mr Edward Leigh MP (*Conservative, Gainsborough*)  
Public Administration – Dr Tony Wright MP (*Labour, Cannock Chase*)  
Regulatory Reform – Andrew Miller MP (*Labour, Ellesmere Port and Neston*)  
Scottish Affairs – Mr Mohammad Sarwar MP (*Labour, Glasgow Central*)  
Selection – Rosemary McKenna MP (*Labour, Cumbernauld, Kilsyth and Kirkintilloch East*)  
Standards and Privileges – Sir George Young MP (*Conservative, North West Hampshire*)  
Statutory Instruments – David Maclean MP (*Conservative, Penrith and The Border*)  
Transport – Mrs Gwyneth Dunwoody MP (*Labour, Crewe and Nantwich*)  
Treasury – John McFall MP (*Labour/Co-op, West Dunbartonshire*)  
Welsh Affairs – Dr Hywel Francis MP (*Labour, Aberavon*)  
Work and Pensions – Mr Terry Rooney MP (*Labour, Bradford North*)

### Powers

The powers of the Committee are set out in House of Commons SO No 145. 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/liaison\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/liaison_committee.cfm).

### **Committee staff**

The current staff of the Committee are Helen Irwin (Clerk), Robert Wilson (Second Clerk), Kevin Candy (Committee Assistant) and Catherine Close (Secretary). For this Report they were assisted by Sara Howe, David Weir, and Matthew Hamlyn and Richard Ward from the Scrutiny Unit.

### **Contacts**

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## Summary

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Select committees play a vital role in Parliament's scrutiny of Government. Their hearings and reports are highly effective examples of Members working together on behalf of the public to hold Government to account for its policies and actions, and to inform parliamentary and public debate on the key issues of the day. Because they regularly engage with issues of current concern, committees are also well-placed to engage with the public through their work. They do this not just through their public meetings at Westminster—though these can have a huge impact, particularly when they are covered by the media—but through visits and evidence sessions in other parts of the country and via their websites. More recently, online forums have enabled committees to contact, and interact with, people who might not otherwise become involved in committee inquiries.

The Liaison Committee is developing its role as a champion of select committees' work, ensuring their views are clearly conveyed to ministers. Our task has become especially important in the light of the Government's *Governance of Britain* Green Paper, which has significant implications for Parliament and its committees. In our ongoing dialogue with ministers, we remain determined to uphold the rights of committees.

Our Report covers the wide range of investigative work in 2007, highlighting some significant achievements by committees in holding the Government to account across the scrutiny agenda, and noting some cross-cutting themes where we have also become involved. We discuss ways in which committees' working methods and approach to their tasks continue to evolve, notably in the areas of engagement with the public and in financial scrutiny. We also consider ways in which the *Governance of Britain* agenda may affect the work of committees.

364 Members served on select committees in the 2006–07 Session, with committees holding 632 public meetings and publishing 345 substantive reports. This Report pays tribute to their work.



# 1 Introduction

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1. Select committees play a key role in ensuring the accountability of Government to Parliament, and through Parliament to the electorate. Across a wide range of topics—regional government, private equity firms, pensions, Afghanistan, the Lisbon Treaty, train fares—select committees make a vital contribution both to parliamentary scrutiny of, and the wider public debate on, government policy and actions. They have an increasingly high public profile, with their work regularly attracting significant media attention.

2. In this Report, we review the work of committees in 2007 and summarise the work of the Liaison Committee itself. 364 Members served on select committees in the 2006–07 Session, with committees holding 632 public meetings and publishing 345 substantive reports.<sup>1</sup> It is not our intention to describe the work of committees in great detail—information about each committee can be found in their annual reports, listed at Annex 1.<sup>2</sup> Instead we highlight some of the most significant achievements of committees in the past year, and comment on issues that are relevant to the work of all committees, including the resources available to them.

3. Scrutiny is carried out by the 18 committees which correspond to government departments, and by others such as Environmental Audit, Public Accounts, Public Administration or Regulatory Reform, whose work cuts across all ministerial responsibilities. Human rights, another cross-cutting issue, is covered by a joint committee with the Lords, the Joint Committee on Human Rights.

4. As we noted in our Report last year, in order to do their job properly committees need:

- full cooperation from ministers and officials;
- access to information and witnesses, resources to assess the information they receive, and
- adequate public awareness of their work.

Our role, as the Committee which brings together all the chairmen of the House's select committees<sup>3</sup> is to seek to ensure that these are available. Our members work together to champion parliamentary scrutiny. We support committees in their work, and where possible strengthen their capacity for carrying it out.

5. We have extended our role as a line of communication between committees and the Government, making sure the needs of committees—for instance, the importance of access to officials and information—are clearly conveyed to ministers, via regular correspondence and meetings with the Leader of the House. We are grateful to the current Leader, Rt Hon Harriet Harman, and the former Leader, Rt Hon Jack Straw, for their readiness to

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1 *Sessional Returns, Session 2006–07, HC 1*

2 Some committees did not publish an annual report on their work, but instead wrote to the Chairman. These letters are published as appendices to this Report.

3 Excluding the Select Committee on the Modernisation of the House of Commons, which is chaired by the Leader of the House.

cooperate with our work and take account of the concerns of select committee chairmen as they develop the Government's proposals in areas which affect Parliament. We have also valued being able to give oral evidence to the Modernisation Committee.

6. In 2007, we have been particularly engaged with the Government's Green Paper, *The Governance of Britain*, which raises many issues of importance for Parliament and its committees.<sup>4</sup> We address some of these in the course of this Report. We expect to continue our dialogue with the Government about the Green Paper in the coming months. We comment on our own activities at the relevant points of our survey of committees' work in 2007.

7. We have also continued to discharge our own scrutiny role through regular evidence sessions with the Prime Minister. In 2007, we held three such meetings: two with the former Prime Minister, Rt Hon Tony Blair, and one with his successor, Rt Hon Gordon Brown.

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4 Ministry of Justice, *The Governance of Britain*, Cm 7170, July 2007

## 2 Review of committees' work

8. This section highlights the work of committees in helping ensure parliamentary accountability of Government, including their fulfilment of the core tasks which the Liaison Committee developed from the House's resolution of 14 May 2002, and issued to committees in June 2002.

### The core tasks of select committees

9. The core tasks provide the central scrutiny framework for committees as they hold ministers and their departments to account.

**Table 1: The core tasks**

	OBJECTIVE A: TO EXAMINE AND COMMENT ON THE POLICY OF THE DEPARTMENT
Task 1	To examine policy proposals from the UK Government and the European Commission in Green Papers, White Papers, draft Guidance etc, and to inquire further where the Committee considers it appropriate.
Task 2	To identify and examine areas of emerging policy, or where existing policy is deficient, and make proposals.
Task 3	To conduct scrutiny of any published draft bill within the Committee's responsibilities.
Task 4	To examine specific output from the department expressed in documents or other decisions.
	OBJECTIVE B: TO EXAMINE THE EXPENDITURE OF THE DEPARTMENT
Task 5	To examine the expenditure plans and out-turn of the department, its agencies and principal NDPBs.
	OBJECTIVE C: TO EXAMINE THE ADMINISTRATION OF THE DEPARTMENT
Task 6	To examine the department's Public Service Agreements, the associated targets and the statistical measurements employed, and report if appropriate.
Task 7	To monitor the work of the department's Executive Agencies, NDPBs, regulators and other associated public bodies.
Task 8	To scrutinise major appointments made by the department.
Task 9	To examine the implementation of legislation and major policy initiatives.
	OBJECTIVE D: TO ASSIST THE HOUSE IN DEBATE AND DECISION
Task 10	To produce reports which are suitable for debate in the House, including Westminster Hall, or debating committees.

10. As we have noted in previous Reports, the core tasks represent *guidance* to committees, not a rigid blueprint.<sup>5</sup> It is important that committees retain the right to choose their own inquiries and have the ability to adapt their work programme at short notice, e.g. in response to urgent political events. We would not wish fulfilment of the core tasks to become a box-ticking exercise by committees. Nevertheless, experience shows that the core tasks framework has encouraged a methodical approach to scrutiny, and helps ensure that all areas of departmental work are covered by committees.

11. Not all work by committees falls neatly into the core tasks framework. This is especially the case for non-departmental committees such as the Environmental Audit Committee and the Committee of Public Accounts, which lack an annual report from an individual government department on which to focus their investigation into administration and expenditure. It is also true, for different reasons, of the Northern Ireland Affairs, Scottish Affairs and Welsh Affairs Committees. But even so, some of the committees to which the core tasks do not fully apply have nevertheless scored their work against them.<sup>6</sup>

### Task 1: Scrutiny of policy proposals

12. The breadth of this core task challenges committees to identify those UK Government and European Commission proposals on which committees can most effectively influence policy as it is being formulated. Committees need to be both selective in which proposals they choose to examine in depth and imaginative in how they can best contribute towards policy development. This means in turn that the range of topics on which committees have sought to comment and to steer ministers and departments is vast. For instance, in 2007, the Science and Technology Committee alone reported on 11 subjects, ranging from the Abortion Act 1967 to the Government's space policy.<sup>7</sup>

13. The flexible nature of the core tasks framework allows committees to fulfil this objective without always focusing on a specific document or policy paper, as shown by the examples in Table 2.

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5 e.g. Liaison Committee, First Report of Session 2005–06, *Annual Report for 2005–06*, HC 406, para 7

6 e.g. Public Administration Select Committee, Fourth Report of Session 2007–08, *Work of the Committee in 2007*, HC 236. Joint Committee on Human Rights, Sixth Report of Session 2007–08, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, HC 270

7 Science and Technology Committee, Twelfth Report of Session 2006–07, *Scientific Developments Relating to the Abortion Act 1967*, HC 1045-I. See also Seventh Report of Session 2006–07, *2007: A Space Policy*, HC 66-I. The Committee was abolished at the end of the 2006–07 and its functions transferred to the Innovation, Universities and Skills Committee; see para 69 below.

Table 2: The variety of subjects covered, approaches taken and outcomes achieved

Committee	Policy area	Committee approach	Outcome
Defence	Future of the UK nuclear deterrent	Report ahead of White Paper publication <sup>(1)</sup>	Informed debate a week later on the floor of the House
Home Affairs	Treaty of Prüm	Report <sup>(2)</sup>	Obtained response from European Commission after criticism of new precedent set by the Treaty
Northern Ireland	Community-based restorative justice schemes	Inquiry and Report <sup>(3)</sup>	Contributed to consultation on NIO's proposals for the schemes
Public Administration	Pensions	Follow-up Report on previous work and changing policy <sup>(4)</sup>	Contributed to helping 100,000 victims of pension wind-up schemes receive compensation
Treasury	Unclaimed Assets	Inquiry and Report <sup>(5)</sup>	Identified areas for improvement in forthcoming legislation
Work and Pensions	Two White Papers—reform of Child Support Agency, and introduction of Personal Accounts	Inquiries and Reports <sup>(6)</sup>	Provisions on 'naming and shaming' non-paying fathers excluded from CSA Bill

(1) Defence Committee, Ninth Report of Session 2006–07, *The Future of the UK's Strategic Nuclear Deterrent: the White Paper*, HC 225-i and -ii. (2) Home Affairs Committee, Third Report of Session 2006–07, *Justice and Home Affairs Issues at European Union Level*, HC 76. (3) Northern Ireland Affairs Committee, First Report of Session 2006–07, *Draft Protocol for Community-based Restorative Justice Schemes*, HC 87. (4) Public Administration Select Committee, Fifth Report of Session 2006–07, *Pensions Bill: Government Undertakings relating to the Financial Assistance Scheme*, HC 523. (5) Treasury Committee, Eleventh Report of Session 2006–07, *Unclaimed assets within the financial system*, HC 533. (6) Work and Pensions Committee, Fourth Report of Session 2006–07, *Child Support Reform*, HC 219-I and Fifth Report of 2006–07, *Personal Accounts*, HC 220-I.

### Proposed European legislation

14. Many significant legislative proposals emanate from the European Union. The European Scrutiny Committee takes primary responsibility for examining the details of EU documents containing such proposals. In the 2006–07 Session it examined 1,079 documents, deeming 476 of legal and/or political importance and recommending 78 for debate. Five were debated on the floor of the House, and there were a further 31 debates in European standing committees, sometimes on more than one document. The Committee's highest-profile piece of work during the Session was on the Lisbon Treaty.<sup>8</sup> Its two Reports

8 European Scrutiny Committee, Twelfth Report of Session 2007–08, *The Work of the Committee in 2007*, HC 315, para 9

on the subject—which attracted considerable public and media attention—provided significant background information as the House began its lengthy consideration of the European Union (Amendment) Bill in early 2008.

15. In addition to the European Scrutiny Committee, other committees also examined EU-related proposals in 2007. Examples include reports from the Home Affairs Committee on Justice and Home Affairs issues at European Union level,<sup>9</sup> from the International Development Committee on EU Development and Trade Policies,<sup>10</sup> and from the Transport Committee on the Galileo satellite system.<sup>11</sup>

## Task 2: To identify and examine areas of emerging policy, or where existing policy is deficient, and make proposals

16. A significant proportion of committees' time is spent on analysing and commenting on emerging or deficient policy. This is an area in which committees bring pressure to bear on the Government to adapt its approach. It can be hard to measure the precise impact that committees' work has in this respect—the time taken for government responses to arrive, the changing shape of policy and the influence of external pressures such as the media or pressure groups all play their part. Nonetheless, reports from select committees clearly play a role in identifying flaws in policy and means to correct those flaws, as shown by the examples in Table 3 below.

**Table 3: Emerging or deficient policy: impact of committees**

Committee	Inquiry/Report	Impact
Communities and Local Government	Is there a future for regional government? <sup>(1)</sup>	Government brought forward proposals to create new parliamentary regional committees
Culture, Media and Sport	Call TV quiz shows <sup>(2)</sup>	Played significant role in exposure of malpractice in phone-in TV and radio programmes
Environment, Food and Rural Affairs (EFRA)	Single Payment Scheme for farmers <sup>(3)</sup>	Helped expose major failings in the work of Defra and the Rural Payments Agency
Justice	Role of the Attorney General <sup>(4)</sup>	Concluded A-G's seemingly contradictory positions almost inevitably bring accusations of political bias
Public Accounts	Government use of consultants <sup>(5)</sup>	Identified up to £500 million a year of possible savings; the Cabinet Secretary is considering action

(1) Communities and Local Government Committee, Fourth Report of Session 2006–07, *Is there a future for regional government?*, HC 352-I. (2) Culture, Media and Sport Committee, Third Report of Session 2006–07, *Call TV quiz shows*, HC 72. (3) Environment, Food and Rural Affairs Committee, Third Report of Session 2007–08, *The Work of the Committee in 2007*, HC 250, paras 8–10. (4) Justice Committee, Fifth Report of Session 2006–07, *The*

9 Home Affairs Committee, *Justice and Home Affairs Issues at European Union Level*

10 International Development Committee, Fifth Report of Session 2006–07, *EU Development and Trade Policies: An update*, HC 271

11 Transport Committee, First Report of Session 2007–08, *Galileo: Recent Developments*, HC 53. See also para 70 below for information on cooperation between the European Scrutiny Committee and other committees.

*constitutional Role of the Attorney General*, HC 306. (5) Committee of Public Accounts, Thirty-first Report of Session 2006–07, *Central Government's use of consultants*, HC 309.

17. The work of the Public Administration Select Committee on the closure of final salary pension schemes is an outstanding example of how committees can contribute to the effective scrutiny of policy areas regarded as deficient.<sup>12</sup> Through a mixture of reports and the tabling, by Committee members, of back-bench amendments to the Pensions Bill, the Committee succeeded in securing a review of the Financial Assistance Scheme, and the Government accepted the review's conclusion—echoing that of the Committee—that there were no grounds for excluding people from the scheme.<sup>13</sup> The Committee credits “years of pressure from the Committee, the Parliamentary Ombudsman and campaign groups such as the Pensions Action Group” with securing an outcome which is a “superb advertisement for what parliamentary democracy can achieve”.<sup>14</sup>

### Task 3: Scrutiny of draft bills

18. Committees are keen to contribute their specialist knowledge to the legislative process through both the scrutiny of draft bills and of other legislation. Conducting scrutiny of draft legislation is a task on which, more than any other, committees are dependent on government initiative. Their work is affected by the number of bills published in draft and the timing of their publication.

19. In our last annual Report, we registered our disappointment that the Government had failed to live up to the expectations it had previously raised about the number of draft bills to be published, and recommended that this be increased in future.<sup>15</sup> In its reply, the Government stated that it remained committed to “publishing as many bills in draft as possible” and expressed the hope that the number of draft bills published each year “will be above the number achieved in the 2005–06 Session”.<sup>16</sup> In the 2006–07 Session, the Government published four draft bills—a slight increase on the three published in 2005–06. The ratio of draft bills to government bills introduced also increased slightly. However, this is still a historically low number.<sup>17</sup> The Government has announced that it intends to publish seven draft bills in the 2007–08 Session.<sup>18</sup>

20. Table 4 shows the bills published in draft in 2007 and the parliamentary scrutiny they received.<sup>19</sup>

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12 Public Administration Select Committee, Sixth Report of Session 2005–06, *The Ombudsman in Question: the Ombudsman's report on pensions and its constitutional implications*, HC 1081

13 Department for Work and Pensions, *Financial Assistance Scheme Review of Assets—Final Report*, December 2007, para 47

14 Public Administration Select Committee, *Work of the Committee in 2007*, para 29

15 Liaison Committee, *Annual Report for 2005–06*, para 14

16 Liaison Committee, First Special Report of Session 2006–07, *Annual Report for 2005–06: Government Response to the Committee's First Report of Session 2006–07*, HC 920, para 1

17 Details of the number of draft bills published since 1997–98 are included in Appendix 3 (The work of the Scrutiny Unit).

18 See [www.commonleader.gov.uk](http://www.commonleader.gov.uk)

19 The Home Affairs Committee also considered draft clauses of the Counter-Terrorism Bill, made available in confidence by the Home Office. See Fourth Report of Session 2007–08, *Work of the Committee in 2007*, HC 226, para 42.

Table 4: Scrutiny of draft bills: impact of committees

Committee	Bill	Scrutiny conducted	Impact
Joint Committee; Environment, Food and Rural Affairs; Environmental Audit	Draft Climate Change Bill	Pre-legislative scrutiny of draft bill	Amendments made in response to recommendations— e.g. on role of Committee on Climate Change
Joint Committee	Draft Human Tissue and Embryos Bill	Pre-legislative scrutiny of draft bill	Amendments made in response to recommendations— e.g. proposal to establish a Regulatory Authority for Tissue and Embryos was dropped
—	Draft Regulatory and Enforcement and Sanctions Bill	No scrutiny undertaken by committees	—
Transport	Draft Local Transport Bill— <i>Strengthening Local Delivery</i>	Pre-legislative scrutiny of draft bill	Amendments made in response to recommendations— e.g. on employment rights for staff and new powers relating to road user charging

21. As in previous years, committees have registered concerns about the handling of the pre-legislative scrutiny process. For instance, the Transport Committee noted the “extremely challenging timetable” for its scrutiny of the draft Local Transport Bill, and expressed the hope that the Committee would have more time to consider the draft Marine Navigation and Port Safety Bill in Session 2007–08.<sup>20</sup> The Joint Committee on the draft Climate Change Bill expressed disappointment that there had been a long delay between the publication of the draft Bill and the appointment of the Committee, meaning that the pre-legislative scrutiny “was more hurried than we, and those who gave evidence to us, would have liked”.<sup>21</sup>

22. Similar concerns have been expressed by the House of Lords Constitution Committee, which called on the Government to ensure that all draft bills are published in good time, and wherever possible that their release is spread throughout the parliamentary year.<sup>22</sup>

23. Despite such concerns, committees also commented on the value added by the pre-legislative scrutiny process. For instance, the Transport Committee noted that its scrutiny

20 Transport Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 248, paras 20, 23

21 Joint Committee on the Draft Climate Change Bill, First Report of Session 2006–07, *Draft Climate Change Bill*, HC 542-I, para 5

22 House of Lords Select Committee on the Constitution, Fourth Report of Session 2007–08, *Pre-legislative Scrutiny in the 2006–07 Session*, HL 43, para 21

of the draft Local Transport Bill had “already had a significant impact on the face of the Bill and it will continue to inform debate in both Houses”.<sup>23</sup>

**24. Once again, we are disappointed at the comparatively small number of draft bills published by the Government. But numbers are not the most important aspect of the process. What matters is the quality of pre-legislative scrutiny that takes place and a crucial factor in accomplishing first-rate scrutiny is sufficient time for committees to do their work. For this reason, we are especially concerned that the Government does not appear to have taken into account the need for committees to have adequate time to plan and carry out effective pre-legislative scrutiny of draft bills. We welcome the Government’s intention to increase the number of draft bills it publishes in 2008, but stress that sufficiently early publication of such draft bills is a necessary condition for proper scrutiny. The Government should liaise at an early stage with committees to ensure they can set aside time in their already busy work programmes to carry out their pre-legislative scrutiny function.**

25. As is apparent from Table 4 above, the draft Climate Change Bill was scrutinised by a joint committee and two select committees, in the case of the Environmental Audit Committee as part of a wider inquiry. The Joint Committee was set up after the Environment, Food and Rural Affairs (EFRA) Committee had informed the Leader of the House of its intention to carry out pre-legislative scrutiny and indeed had announced its inquiry into the draft Bill. This duplication of scrutiny led to pressure on staff resources, although these were alleviated by assistance from the National Audit Office and some joint working by the staff of the committees concerned. There was also pressure on Members’ time, as seven members of the EAC also served on the Joint Committee. More important, this multiplication of scrutiny created some frustration and confusion amongst external stakeholders—10 witnesses gave evidence to both the EFRA Committee and the Joint Committee. **While we recognise that some draft bills will be particularly suited to scrutiny by joint committees, it is for the House, not the Executive, to assess the most effective form of scrutiny, and we object strongly to the fact that the Government has sought to pre-empt the House’s consideration of how to scrutinise draft bills by bringing forward motions for the appointment of joint committees without proper consultation. We reiterate the comment of our predecessor committee in 2005: there should be a presumption in favour of draft bills going to departmental select committees for pre-legislative scrutiny, where they are ready and willing to undertake this.**<sup>24</sup>

### **Other legislative scrutiny by committees**

26. In addition to their work on draft bills, committees have proved able to contribute to the debate on other bills. Table 5 gives some examples.

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23 Transport Committee, *Work of the Committee in 2007*, para 23

24 Liaison Committee, First Report of Session 2004–05, *Annual Report for 2004*, HC 419, para 38

Table 5: Examples of other bills scrutinised by select committees

Committee	Bill	Scrutiny conducted	Impact
Health	Local Government and Public Involvement in Health Bill	Committee published Report on provisions in Bill before it reached Report stage in the Commons <sup>(1)</sup>	Informed debate
Justice	Freedom of Information Bill	Private Member's Bill including provision exempting Members from FOI Act; Committee argued this was contrary to culture of openness in the public sector	Informed debate

(1) Health Committee, Third Report of Session 2006–07, *Patient and Public Involvement in the NHS*, HC 278-I

27. The Joint Committee on Human Rights continues to scrutinise all government bills, and a range of other legislative proposals, reporting on the significant human rights issues raised by each bill. These reports also help inform the debates on bills—in both Houses. The Committee notes that in the majority of bills on which it reported, its Report was available before report stage in the first House to consider the bill.<sup>25</sup>

### *Scrutiny of secondary legislation in draft*

28. Committees examine draft secondary legislation as well as draft bills. The two main subjects of such scrutiny in 2007 were draft regulatory reform orders and the new draft Legislative Competence Orders in Council. The former are monitored by the Regulatory Reform Committee, which produced eight Reports on four regulatory reform orders in 2007.<sup>26</sup>

29. Draft Legislative Competence Orders in Council (LCOs) represent a new departure for parliamentary scrutiny of draft legislation. The Government of Wales Act 2006 allowed the National Assembly for Wales to seek to enhance its legislative powers by way of LCOs. The Orders do not themselves change the general law for Wales—they pave the way to subsequent changes in the law applying to Wales within the devolved areas of legislative competence. The Welsh Affairs Committee undertook an inquiry into LCOs, as it was envisaged that the Welsh Affairs Committee would play a key role in the procedure for scrutinising these orders, possibly working jointly with committees of the National Assembly for Wales. The Committee welcomed the opportunity to be involved in the pre-legislative process of proposed Orders in Council, but expressed some concern at the potential impact of this role on the rest of its programme of work.<sup>27</sup> The Committee published a Report on one draft LCO in 2007, on additional learning needs. The Committee concluded that an LCO was the most appropriate way forward for this

25 Joint Committee on Human Rights, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, para 33

26 *Sessional Returns, Session 2006–07*, pp. 244–45

27 Welsh Affairs Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 325, para 12

proposal, and agreed that the proposed Order should be proceeded with, subject to some changes.<sup>28</sup>

### **The Government's Draft Legislative Programme**

30. In its Green Paper, *The Governance of Britain*, the Government announced that it intended to publish a draft version of the forthcoming session's legislative programme for parliamentary and public consultation.<sup>29</sup> The first such draft programme was published on 11 July 2007.<sup>30</sup> We considered the implications for committees of this development and agreed that in 2007, given the limited time available to consider the draft programme, individual committees should do what they could to examine, and publish their views on, any legislative proposals relevant to their work. The Leader of the House has subsequently indicated that the Government expects the draft programme to be published at Easter in future, thus providing "enough time that the Government has got a sensible thing to put forward but not so late that it is really too late for there to be substantial changes".<sup>31</sup>

31. Our Chairman and two select committee chairmen gave evidence to the Modernisation Committee's inquiry into the draft legislative programme. In our evidence, we noted that:

- committees are ready to be involved in scrutinising the draft programme, but cautious about the impact this task might have on their existing work;
- committees need adequate notice of when the draft programme is to be published, so that they can build their scrutiny of it into their programme of work; publication around Easter would be helpful to committees, and
- it is unlikely that the Liaison Committee would be able to come to a single view on the question of balance within the draft legislative programme, as this is a fundamentally political question that does not sit well with the cross-party nature of the Committee.<sup>32</sup>

We made similar points at our informal meeting in October 2007 with the Leader of the House and the former Leader, now Secretary of State for Justice and the principal author of the Green Paper. The Modernisation Committee concluded that "**publication before Easter, for a Queen's Speech delivered the following November, would provide enough time for select committees to integrate some scrutiny of the Government's legislative proposals into their programme**".<sup>33</sup>

**32. We welcome the publication of the Government's draft legislative programme, which has the potential to further enhance committees' engagement with the legislative**

28 Welsh Affairs Committee, Second Report of Session 2007–08, *Proposed Legislative Competence Orders in Council: Additional Learning Needs*, HC 44, paras 30 and 70

29 Ministry of Justice, *The Governance of Britain*, Cm 7170, para 101

30 Office of the Leader of the House of Commons, *The Governance of Britain—The Government's Draft Legislative Programme*, Cm 7175, July 2007

31 Select Committee on Modernisation of the House of Commons, First Report of Session 2007–08, *The Government's Draft Legislative Programme*, HC 81, para 20

32 *Ibid.*, paras 20–21, 30, 39

33 Select Committee on Modernisation of the House of Commons, *The Government's Draft Legislative Programme*, para 22

process. In order for this potential to be realised, the draft programme will have to be published early enough for committees to be able to examine those proposals that fall within their remit and report on them in time for their views to be taken into account by the Government in finalising its legislative programme. We therefore welcome the Government's intention of publishing the draft programme for 2008–09 around Easter 2008.

### **The impact of Public Bill Committees**

33. Public Bill Committees (PBCs), with the power to take oral and written evidence on bills, have been in operation since January 2007. In our Report last year, we noted our concern that the new procedure might reduce the scope either for pre-legislative scrutiny by select committees or their examination of bills once introduced. So far, the existence of this new procedure does not appear to have precluded select committees from examining government bills when published, as shown by the example of the Health Committee in Table 5 above. It is not yet clear what impact the new PBC procedure will have on the Government's provision of opportunities for pre-legislative scrutiny, which we have noted have dropped back in recent years, but we will keep this issue under review.

### **Task 4: To examine specific output from the department**

34. This core tasks refers to specific outputs “expressed in documents or other decisions”. Most committees followed up on specific circulars, guidance or other documents issued by their departments during evidence sessions with their secretaries of state and other ministers, although only a few committees undertook discrete investigations into these subjects. One example of such a dedicated examination is contained in the Health Committee's inquiry into audiology services, launched in response to the Government's announcement in March 2007 of a new framework for services, which sought to address long waiting times suffered by patients who wanted to upgrade their analogue hearing aids.<sup>34</sup>

### **Task 5: Scrutiny of expenditure plans and outturns**

35. One of the most important roles played by the departmental select committees is scrutinising expenditure by the government departments which they monitor. Other committees also devote some of their time to this task, and the Committee of Public Accounts is largely concerned with the examination of departmental spending, through its consideration of reports from the National Audit Office and evidence sessions with Accounting Officers.<sup>35</sup> In our last Report we noted a general consensus that committees' financial scrutiny of Government was not as effective as it might have been.<sup>36</sup> We set up a working group to examine how Parliament's financial scrutiny could be improved, and we comment on this initiative further in paragraph 45 below. In this section, we note some

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34 Health Committee, Fifth Report of Session 2006–07, *Audiology Services*, HC 392

35 Information about the work of the Committee of Public Accounts is included in the Chairman's letter to the Liaison Committee, Appendix 2.

36 Liaison Committee, *Annual Report for 2005–06*, para 34

examples of ways in which committees have continued to improve their financial scrutiny of Whitehall over the past year.

### **Departmental Annual Reports**

36. The majority of financial scrutiny centres on Departmental Annual Reports (DARs), published in May, and to a lesser extent the Estimates, published at intervals throughout the year.<sup>37</sup> The standard procedure adopted by most committees is to analyse the DAR, supported by the Committee Office Scrutiny Unit, and request additional detail in writing from the department. The department's response then forms the basis of an oral evidence session with senior officials, or sometimes ministers, with many committees subsequently publishing reports. In our last Report we welcomed the fact that many committees reported to the House following their examination of the DARs, and urged more to follow suit.<sup>38</sup> In 2007, all but one departmental select committee held at least one oral evidence session on their department's DAR, or were planning to hold one early in 2008. As in 2006, about half the departmental committees have published, or plan to publish, a report on the Departmental Annual Report.

37. Examples of committee scrutiny of the DARs include:

- Scottish Affairs, whose evidence session on the Scotland Office DAR was an opportunity to explore the "Barnett formula", and<sup>39</sup>
- Foreign Affairs and International Development both examined their department's Comprehensive Spending Review (CSR) settlement as part of their inquiries into DARs.<sup>40</sup>

38. Autumn Performance Reports (APRs) update only some of the material covered in the much fuller DARs, on performance against PSA targets and efficiency targets. Most committees gave less attention to departments' APRs than to DARs, with only a handful holding hearings or producing Reports on APRs. Some committees prefer to conduct examination of APRs by way of correspondence with departments.<sup>41</sup> The Government's 'Alignment Project' may, in due course, combine some of the existing financial reporting documents, including DARs and APRs, which could increase the importance that committees attach to examining the remaining documents.

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37 For a full account of the system of financial reporting to Parliament, see Liaison Committee, Second Report of Session 2007–08, *Parliament and Government Finance: Recreating Financial Scrutiny*, HC 426, to be published on 21 April 2008.

38 Liaison Committee, *Annual Report for 2005–06*, para 42

39 Scottish Affairs Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 278, para 14

40 Foreign Affairs Committee, Fourth Report of Session 2007–08, *The Work of the Committee in 2007*, HC 287, paras 51–52. International Development Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 255, para 43

41 e.g. Work and Pensions Committee, First Report of Session 2007–08, *Work of the Committee in 2007*, HC 317, para 29

## Estimates

39. Most committees continue to quiz departments about the content of the Estimates they lay before Parliament throughout the year. Generally, this is conducted through correspondence. However, some committees have also reported on particular Estimates, and the Defence Committee has continued the practice it introduced after the last election of reporting on all the Ministry of Defence's Supplementary Estimates, in each case before the House of Commons was asked to agree them. The Committee notes that the MoD's Supplementary Estimates are of particular interest since they reveal the cost of military operations, which have traditionally not been covered in the Main Estimates.<sup>42</sup>

40. In our last Report, we commented on the quality of the Estimates Memoranda sent to committees by departments, which are intended to provide an explanation of the changes to expenditure sought in the Estimate. We concluded that they were not yet fulfilling their potential, even though they had improved since their introduction in 2004.<sup>43</sup> The Scrutiny Unit has continued to monitor the quality of memoranda, and reports that, overall, Estimates Memoranda have continued to improve, although there remain some problems with timeliness of publication. In two cases, memoranda were rejected by the committee concerned, and the department was obliged to provide a new and improved text. We were pleased to note that the Communities and Local Government Committee noted a "significant improvement in the Department's provision of information" following its criticisms of the DCLG's Estimates Memoranda.<sup>44</sup> The Scrutiny Unit assists committees and departments in improving the quality of memoranda, for instance through publication of guidance to departments and the dissemination of examples of especially good practice.<sup>45</sup> **We welcome the continuing improvement in the quality of information provided in Estimates Memoranda, and the fact that pressure from committees is ensuring that the quality of departments' Estimates Memoranda is being further improved.**

## Other scrutiny of expenditure

41. In addition to the annual cycle of DARs and APRs, committees examine expenditure issues as part of their wider inquiries.<sup>46</sup> Some also undertake additional scrutiny on expenditure, as set out in Table 6 below.

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42 Defence Committee, Sixth Report of Session 2007–08, *The work of the Committee in 2007*, HC 274, para 31

43 Liaison Committee, *Annual Report for 2005–06*, para 33

44 Communities and Local Government Committee, Fourth Report of Session 2007–08, *Work of the Committee in 2007*, HC 211, para 21

45 See [http://www.parliament.uk/parliamentary\\_committees/scrutinyunit/reports\\_pubs.cfm](http://www.parliament.uk/parliamentary_committees/scrutinyunit/reports_pubs.cfm)

46 See e.g. Transport Committee, *Work of the Committee in 2007*, para 25.

Table 6: Other scrutiny of expenditure

Committee	Scrutiny activity undertaken
Environment, Food and Rural Affairs	Criticised Defra in a follow-up Report to its inquiry into the department's DAR for passing a £200m cut in its budget on to bodies responsible for delivery. This was apparently due to the Department misunderstanding the Treasury's rules on end of year flexibility; a National Audit Office report on Defra's financial management was published in March 2008. <sup>(1)</sup>
Health	Continued its practice of scrutinising the Department of Health's use of its £90 billion budget through a written questionnaire submitted to the Department. The Department's responses form the basis of oral evidence sessions with the Secretary of State and officials. <sup>(2)</sup> These sessions give the Committee the opportunity to "explore important areas of financial expenditure by the Department in more depth than was possible in other inquiries". <sup>(3)</sup>
Home Affairs	A short inquiry into <i>Police Funding</i> which considered "how increased investment [...] had been reflected in police performance and crime reduction". <sup>(4)</sup> It concluded that it was "difficult to assess how effectively the increased spending on the police in recent years has been deployed" and that as a result it was also "hard to assess the case made by the service and police authorities for more funding when there is no comprehensive measure of how well they have spent the money they have already received". <sup>(5)</sup>
Treasury	Reports on prospects for the 2007 Comprehensive Spending Review (CSR) and on the final outcome of the CSR. <sup>(6)</sup>

(1) Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 17. (2) Health Committee, *Public Expenditure on Health and Personal Social Services 2006*, 22 November 2007, HC 26-i & -ii and *Public Expenditure on Health and Personal Social Services 2006*, 29 November 2007, HC 26-iii. (3) Health Committee, Second Report of Session 2007–08, *Work of the Committee 2007*, HC 337, para 28. (4) Home Affairs Committee, *Work of the Committee in 2007*, para 44. (5) Home Affairs Committee, Fourth Report of Session 2006–07, *Police Funding*, HC 553, para 28. (6) Treasury Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 230, para 17.

**42. Committees continued their effective scrutiny of government expenditure over the last year. Such scrutiny of expenditure is not limited to an annual examination of departmental reports, important though this is. Committees have shown that an awareness of expenditure issues informs a much wider range of their work. We are pleased that most departmental committees have taken oral evidence on departmental reports, but emphasise that committees using this evidence to form the basis of a report to the House can further improve the quality of departments' financial reporting.**

### **Merging departmental reports and resource accounts**

43. In 2007 two government departments—HM Treasury and Business, Enterprise and Regulatory Reform (BERR)—piloted a new publication which merged the DAR with the department's annual resource accounts. (The Ministry of Defence has for some years already published such a combined report.) We acted as a point of contact for HM Treasury, which coordinated the pilot, ensuring that the needs of committees in carrying out scrutiny of government financial reporting were taken into account in planning the pilot. The NAO has commented that integrating the reports more closely "gives Parliament and the general public a better idea of what is being delivered with financial resources at

departments' disposal".<sup>47</sup> The Business, Enterprise and Regulatory Reform (BERR) Committee<sup>48</sup> described the combined report produced by the former DTI as "an impressively comprehensive document, and, in our view, an improvement on earlier reports", but curbed its own enthusiasm with a warning that:

It is too early to say whether the fact that a combined document necessarily emerges later in the financial cycle than the Annual Report it replaced will have any adverse impact on our ability to consider the Estimates in normal years.<sup>49</sup>

The Treasury Committee was broadly positive about the pilot, while noting that one consequence was the disappearance of separate chapters on the Office of Government Commerce (OGC) and the Debt Management Office (DMO). The Committee concluded that, subject to adequate arrangements being put or remaining in place for reporting on the performance of these bodies, the pilot was an opportunity for "continued improvement in the quality of financial reporting" by the Treasury Group.<sup>50</sup> HM Treasury has indicated that the pilot may gradually be extended to other departments.

**44. The new combined departmental reports and resource accounts are an opportunity to produce more helpful documents, although we note the potential disadvantage that they will be published later than the current DARs. The balance between the greater usefulness of the combined document and its later publication is one that can best be judged by the individual committees concerned, on a case by case basis.**

### *Liaison Committee working group on financial scrutiny*

45. As noted in our previous Report, we established a working group consisting of our Chairman and the Chairmen of the Treasury Committee, the Committee of Public Accounts and the Environment, Food and Rural Affairs Committee to examine in more detail ways in which financial information could be provided and how committees might analyse and use that information.<sup>51</sup> We will publish a Report based on the findings of this working group on 21 April 2008.<sup>52</sup>

## **Task 6: Scrutinising Public Service Agreements and Targets**

46. Committees generally scrutinise Public Service Agreements (PSAs) and associated targets as part of their annual examination of DARs. PSAs are also often examined in the course of policy-based inquiries, in one-off sessions with ministers or secretaries of state, and occasionally through correspondence. In 2007 committees measured performance

47 NAO, *Managing financial resources to deliver better public services*, Session 2007–08, HC 240, para 4.25

48 On 11 March 2008 the House agreed to change the name of the Business, Enterprise and Regulatory Reform Committee to the Business and Enterprise Committee. In this Report we refer to the Committee under its previous name, as this is what it was called in the year under review.

49 Business, Enterprise and Regulatory Reform Committee, First Report of Session 2007–08, *The work of the Committee in 2007*, HC 233, para 17

50 Treasury Committee, Seventh Report of Session 2007–08, *Administration and expenditure of the Chancellor's departments, 2006–07*, HC 57, para 41

51 Liaison Committee, *Annual Report for 2005–06*, para 34

52 Liaison Committee, Second Report of Session 2007–08, *Parliament and Government Finance: Recreating Financial Scrutiny*, HC 426, to be published on 21 April 2008

against existing PSAs, but also assessed the adequacy of the new PSAs introduced for the period of the 2008–11 CSR.

### *PSA targets as part of examination of Departmental Annual Reports*

47. Most committees continue to investigate progress on PSA targets as part of their annual scrutiny of departmental reports in 2007. Table 7 below gives some examples.

**Table 7: Scrutiny of PSA targets during DAR scrutiny**

<b>Committee</b>	<b>PSA scrutiny undertaken</b>
BERR	Took a particular interest in the PSAs for the newly created department, and their relationship to the PSAs of the Department for Trade and Industry. <sup>(1)</sup>
Constitutional Affairs	Used its evidence session with the Permanent Secretary of the Ministry of Justice to focus on progress towards PSA targets relating to delivery and public confidence in the criminal justice system. <sup>(2)</sup>
Culture, Media and Sport	Followed up its work on the DAR with an evidence session with the Secretary of State and senior officials, discussing policy matters and performance against PSAs. <sup>(3)</sup>
Foreign Affairs	Departed from the approach of its previous DAR inquiries by taking evidence on departmental performance not only from departmental officials, but also from high profile witnesses from outside the FCO, including Rt Hon Lord Ashdown and former ambassadors. This helped the Committee to put together a case study on the FCO's performance against its PSA target on conflict prevention. <sup>(4)</sup>

(1) Business, Enterprise and Regulatory Reform Committee, *The work of the Committee in 2007*, para 18. (2) Constitutional Affairs Committee, *Ministry of Justice: Aims and Objectives*, 17 July 2007, HC 938-i. (3) Culture, Media and Sport Committee, Third Report of Session 2007–08, *Work of the Committee in 2007*, HC 234, para 13. (4) Foreign Affairs Committee, *The Work of the Committee in 2007*, para 43.

### *PSA targets assessed in the course of inquiry work*

48. Committees regularly touched on PSA targets in the course of their policy-based inquiries over the past year, as shown in Table 8.

**Table 8: Scrutiny of PSA targets during inquiries**

<b>Committee</b>	<b>PSA scrutiny undertaken</b>
Communities and Local Government	Report on Equality proposed that all equality strands be covered by a single PSA, in order to improve government action against discrimination. This recommendation was later adopted by the Government. <sup>(1)</sup>
Health	Examined the Department of Health's PSA targets in its long-running annual Public Expenditure Questionnaire exercise. In particular, the Committee focused on whether the DoH would reach the PSA target on hospital waiting times, given that media reports had suggested the target would be softened. <sup>(2)</sup>

Committee	PSA scrutiny undertaken
Home Affairs	Considered a number of individual Home Office targets as part of their inquiry into Police Funding. The Report concluded that the Government's key crime reduction target, 'offences brought to justice', was not a good indicator of success in relation to the types of crime the public feared most, and recommended a better balance under new PSA targets. <sup>(3)</sup>
Transport	Inquiries into the Government's Motorcycling Strategy and Novice Drivers both examined progress towards the target of reducing road deaths. <sup>(4)</sup>

(1) Communities and Local Government Committee, Sixth Report of Session 2006–07, *Equality*, HC 468, para 56. (2) Health Committee, *Work of the Committee 2007*, para 27. (3) Home Affairs Committee, *Police Funding*, para 30. (4) Transport Committee, Seventh Report of Session 2006–07, *Novice Drivers*, HC 355-I and Fifth Report of Session 2006–07, *The Government's Motorcycling Strategy*, HC 264.

49. The Public Administration Select Committee used correspondence to undertake ongoing, extensive scrutiny of Cabinet Office accounts, expenditure and performance in relation to its targets.<sup>53</sup>

### General concerns about PSA targets

50. Committees continued to raise concerns about certain aspects of PSA targets, in particular their adequacy for measuring the work of government departments, as shown in Table 9.

**Table 9: Concerns about PSA targets**

Committee	Concern about PSA target
Communities and Local Government	Expressed concerns about the extent to which the Department for Communities and Local Government could be held accountable for poor performance against its PSAs, stating that almost all of them 'relied on the actions of someone else if their goals were to be achieved and on data collected elsewhere if they were to be accurately measured and assessed'. <sup>(1)</sup>
Environmental Audit	Examined the usefulness of PSAs in driving the Sustainable Development agenda across Government. The Committee concluded that such PSAs could only be effective if accompanied by cross-Government consensus and clear political will. <sup>(2)</sup>
Foreign Affairs	Expressed disappointment that it had not been consulted in the drafting of the FCO's new PSA framework. The Committee expressed particular concern about the appropriateness of the performance target structure as related to the work of the FCO, and also recommended that targets and priorities be simplified and reduced in number. <sup>(3)</sup>

<sup>53</sup> Public Administration Select Committee, *Work of the Committee in 2007*, para 43

Committee	Concern about PSA target
International Development	The specific link between the Department for International Development's PSAs and the Millennium Development Goals continued to present difficulties in measuring DFID's effectiveness. The Committee concluded that the inclusion of specific indicators under the new PSAs should help to make their assessment of DFID's performance more meaningful. <sup>(4)</sup>

(1) Communities and Local Government Committee, Second Report of Session 2007–08, *DCLG Annual Report 2007*, HC 170, para 1. (2) Environmental Audit Committee, Ninth Report of Session 2006–07, *The Structure of Government and the Challenge of Climate Change*, HC 740, para 48. (3) Foreign Affairs Committee, *The Work of the Committee in 2007*, para 44. (4) International Development Committee, *Work of the Committee in 2007*, para 44–47.

51. As part of the 2007 Comprehensive Spending Review, the Government introduced a set of 30 new PSAs, intended to supersede the 110 PSAs in existence at the time of the 2004 Spending Review. All the new PSAs are cross-departmental, and according to Ministers “articulate the Government’s highest priority outcomes for the CSR07 period and span departmental boundaries, setting out a shared vision and leading collaboration at all levels in the delivery system”. Each of the new PSA targets is supported by a Delivery Agreement. Alongside the new PSAs, the Government introduced a new form of target: Departmental Strategic Objectives (DSOs). These are intended to cover the business carried out by a particular department. The Treasury Committee examined the new PSAs and DSOs in their Reports on the CSR. The Committee welcomed the distinction between DSOs and PSAs in principle, but noted that the cross-departmental nature of the new PSAs posed a challenge for a system of accountability currently based on departmental reporting and the work of departmental select committees. The Committee recommended that performance against outcome indicators in each of the new PSAs be reported on in new cross-departmental publications, twice a year. The Committee hoped that such publications would encourage more effective cross-cutting scrutiny of PSAs between the select committees concerned.<sup>54</sup>

## Task 7: Monitoring the work of agencies and other public bodies

52. Committees adopt varying approaches to monitoring the work of the agencies and public bodies within the remit of their departments: through their scrutiny of Departmental Annual Reports; through inquiries into a specific body, or a group of related bodies; and in the course of wider, policy-focused inquiries.<sup>55</sup> Examples of each approach are given in Table 10 below.

<sup>54</sup> Treasury Committee, *Work of the Committee in 2007*, para 19. See also First Report of Session 2007–08, *The 2007 Comprehensive Spending Review*, HC 55, paras 31–37.

<sup>55</sup> e.g. the Culture, Media and Sport Committee’s inquiry into the London 2012 Olympic Games. *Work of the Committee in 2007*, Annex, table 1

**Table 10: Monitoring the work of agencies and other public bodies**

<b>Committee</b>	<b>Scrutiny of agency or public body</b>
EFRA	Undertook detailed analysis of the working of the Rural Payments Agency and the Single Payment Scheme. <sup>(1)</sup>
Foreign Affairs	Took evidence from the British Council and the BBC World Service as part of its inquiry into the FCO DAR. <sup>(2)</sup>
Public Administration	Inquiry into Ethics and Standards focused on the role and constitutional status of five of the non-departmental public bodies sponsored by the Cabinet Office. <sup>(3)</sup>
Transport	Examined the Olympic Delivery Authority during its inquiry into Transport for the London 2012 Olympic and Paralympic Games. <sup>(4)</sup>

(1) Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, paras 8–10. (2) Foreign Affairs Committee, *Work of the Committee in 2007*, paras 49–50. (3) Public Administration Select Committee, Fourth Report of Session 2006–07, *Ethics and Standards: The Regulation of Conduct in Public Life*, HC 121-I. (4) Transport Committee, Third Report of Session 2006–07, *Transport for the London 2012 Olympic and Paralympic Games: The Draft Transport Plan*, HC 199.

53. Most committees aim to scrutinise key agencies and public bodies on a regular basis. For example, the BERR Committee sets out to examine one or two of the Department's associated public bodies each year.<sup>56</sup> The Transport Committee endeavours to take evidence from each of the Department for Transport's associated public bodies over the course of a Parliament, while the Defence Committee has adopted a rolling programme of short inquiries on the work of individual defence agencies.<sup>57</sup>

### **Task 8: Scrutiny of major appointments**

54. Up to now, select committee scrutiny of appointments has mainly consisted of evidence sessions once the job-holder is in post, and the role of these sessions is generally to assess the subject's views and priorities rather than directly evaluating their appointment. Several committees held early hearings with newly-appointed ministers, which were regarded as acting to some extent as "induction" hearings. The Cabinet reshuffle in June 2007 provided select committees with many such opportunities, including the Environment, Food and Rural Affairs Committee, the Home Affairs Committee and the Health Committee.<sup>58</sup>

55. Committees have scrutinised the appointment of senior officials and other related posts. Some examples from 2007 are given in Table 11.

56 Business, Enterprise and Regulatory Reform Committee, *The work of the Committee in 2007*, para 21

57 Transport Committee, *Work of the Committee in 2007*, para 33. Defence Committee, *The work of the Committee in 2007*, paras 37–39

58 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 23. Home Affairs Committee, *Work of the Committee in 2007*, para 39. Health Committee, *Work of the Committee 2007*, para 36

Table 11: Scrutiny of major appointments

Committee	Scrutiny of appointment
Defence	Monitors all significant appointments to the Ministry of Defence, its associated agencies and public bodies, as well as the Armed Forces, and considers whether these appointments merit scrutiny.  To date, it has not seen any reason to take further action. However, there are plans to take evidence from the new Service Complaints Commissioner after a year in post. <sup>(1)</sup>
Health	Took evidence from the new Director General of NHS Finance, Performance and Operations as part of their work on the Public Expenditure Questionnaire. <sup>(2)</sup>
Joint Committee on Human Rights	Following the launch of the Equality and Human Rights Commission, met informally with the Chair of Commissioners and the Chief Executive.  The JCHR will seek to take oral evidence from the Commission in 2008, once the new organisation is fully up and running. <sup>(3)</sup>
Transport	Took evidence from the new Permanent Secretary of the Department for Transport, alongside the Secretary of State. <sup>(4)</sup>
Treasury	Continued to scrutinise appointments to the Monetary Policy Committee, holding hearings with two members re-appointed to the MPC. <sup>(5)</sup>

(1) Defence Committee, *The work of the Committee in 2007*, paras 41, 44. (2) Health Committee, *Work of the Committee 2007*, para 36. (3) Joint Committee on Human Rights, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, para 59. (4) Transport Committee, *Work of the Committee in 2007*, para 36. (5) Treasury Committee, *Work of the Committee in 2007*, para 23.

### Government proposals on parliamentary scrutiny of appointments

56. *The Governance of Britain* Green Paper proposed that Parliament, through its select committees, should become more involved in “the appointment of key public officials”, with committees holding pre-appointment hearings with nominees for certain posts.<sup>59</sup> The Treasury Committee undertook the first pre-appointment hearing under the new procedure, with the first nominee to the post of Chair of the new Statistics Board, Sir Michael Scholar. It published a Report, in advance of the Commons debate on the subject, supporting Sir Michael’s nomination, and made recommendations drawing on its experiences of the pre-appointment hearing process.<sup>60</sup>

57. The Public Administration Select Committee published a Report on the Government’s proposal to involve select committees in public appointments, which aimed to clarify the purpose of pre-appointment hearings and to establish criteria to determine which posts should be subject to such procedures.<sup>61</sup>

59 Ministry of Justice, *The Governance of Britain*, Cm 7170, July 2007, paras 74–76

60 Treasury Committee, *Work of the Committee in 2007*, para 24

61 Public Administration Select Committee, Third Report of Session 2007–08, *Parliament and public appointments: Pre-appointment hearings by select committees*, HC 152

58. The Government consulted the Liaison Committee about how the new procedures should work. We in turn consulted the chairmen of the relevant select committees, and published a Report in March 2007 setting out their views and our preferred approach. Our Report concluded that:

The Government's proposals are a welcome response to our belief that select committees can add value to an appointments process [...] it is our firm view that committees will now wish to work together with Ministers and their departments to carry forward a developing series of evidence sessions that can be helpful to the postholder and the department while providing enhanced accountability to Parliament.

We also approved the list of appointments which the Minister proposed should be subject to the new procedure—with the exception of that of the Comptroller and Auditor General, given the unique method of appointment to that post—and recommended that additional posts should be included, while noting that the list should be kept under review.<sup>62</sup> In its recent White Paper *The Governance of Britain—Constitutional Renewal*, the Government noted the publication of our Report and stated that it will continue to work with us on a final list of suitable posts for pre-appointment hearings.<sup>63</sup> We look forward to continuing to engage with the Government on its proposals for pre-appointment hearings.

## Task 9: Implementation of legislation and major policy initiatives

59. We have already noted that committees examine policy proposals, and legislation either in draft or during its passage through Parliament. But committees also scrutinise the implementation of new legislation, and the effectiveness of existing legislation. Examples of this type of scrutiny in 2007 are given in Table 12 below.

**Table 12: Scrutiny of implementation of legislation**

Committee	Scrutiny of implementation of legislation
Health	Examined a range of significant legislation since 1999, especially the implementation of the NHS Plan 2000, as part of its inquiries into Workforce Planning and NICE. <sup>(1)</sup>
Public Administration	Held an evidence session on the demands and difficulties in implementing the 'public benefit' requirements in the Charities Act 2006.  Another evidence session concerned some of the consequences and implementation of the Freedom of Information Act 2000. <sup>(2)</sup>
Transport	Held an inquiry into the new National Boatmasters' Licence. The inquiry was particularly timely because the Government had been forced by a decision of the European Court of Justice to implement directives from which both the European Commission and the Government believed the UK had negotiated an exemption. <sup>(3)</sup>

62 Liaison Committee, First Report of Session 2007–08, *Pre-appointment hearings by select committees*, HC 384, para 16

63 Ministry of Justice, *The Governance of Britain—Constitutional Renewal*, March 2008, Cm 7342-I, paras 251–53

Committee	Scrutiny of implementation of legislation
Treasury	Examined the effectiveness of the provisions of the Bank of England Act 1998 as part of its inquiry on the Monetary Policy Committee of the Bank of England. <sup>(4)</sup>

(1) Health Committee, *Work of the Committee 2007*, para 37. (2) Public Administration Select Committee, *Work of the Committee in 2007*, para 37. (3) Transport Committee, *Work of the Committee in 2007*, para 16. (4) Treasury Committee, *Work of the Committee in 2007*, para 26.

60. Committees also monitor the implementation of EU legislation. For instance, the EFRA Committee inquired into the implementation in the UK of the European Union Environmental Liability Directive.<sup>64</sup>

61. The Joint Committee on Human Rights (JCHR) continues to monitor the implementation of the Human Rights Act 1998. In particular, an evidence session in June 2007 with the then Attorney General, Lord Goldsmith, addressed the matter of the applicability of the Human Rights Act to people detained by the military overseas, and the implications of this in the wake of allegations of torture and inhuman treatment by British troops in Iraq. The Committee hopes to return to investigate this topic further in 2008.<sup>65</sup> The JCHR also made recommendations on how to improve the coordination of action dealing with adverse judgments of the European Court of Human Rights within Whitehall and the provision of information to Parliament.<sup>66</sup>

62. In fulfilment of this core task, committees also examine the implementation of major policy initiatives. Table 13 below gives some examples.

**Table 13: Scrutiny of implementation of major policy initiatives**

Committee	Scrutiny of implementation of major policy initiatives
BERR	Inquiry on the Implementation of the Report of the Women and Work Commission. <sup>(1)</sup>
Constitutional Affairs	Looked at the implementation of the Freedom of Information Act, expressing concern that measures proposed by the Government could restrict the flow of information into the public domain. <sup>(2)</sup>
Defence	Published an updating Report on the implementation of the Government's 2005 Defence Industrial Strategy. <sup>(3)</sup>
Scottish Affairs	Inquiry into Poverty which included an examination of the effectiveness of programmes such as Welfare to Work and Tax Credits. <sup>(4)</sup>

(1) Business, Enterprise and Regulatory Reform Committee, Second Report of Session 2007–08, *Jobs for the Girls: Two Years On*, HC 291-I and -II. (2) Constitutional Affairs Committee, Fourth Report of Session 2006–07, *Freedom of Information: Government's proposals for reform*, HC 415. (3) Defence Committee, Sixth Report of Session 2006–07, *The Defence Industrial Strategy: Update*, HC 177. (4) Scottish Affairs Committee, Second Report of Session 2007–08, *Poverty in Scotland*, HC 128-I and -II.

64 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 24

65 Joint Committee on Human Rights, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, para 64

66 *Ibid.*, para 66

### *Post-legislative scrutiny*

63. Committees have an important role to play in scrutinising Acts of Parliament. In our Report last year we noted the report by the Law Commission on this subject and our productive meeting with the then Chairman of the Law Commission, Sir Roger Toulson. We also noted our appointment of a working group to take forward discussions on how a new mechanism for more systematic post-legislative scrutiny might operate.<sup>67</sup> In March 2007, the working group held an informal meeting with the then Leader of the House, at which the group's proposal that post-legislative scrutiny could be undertaken by a dedicated committee of the House of Lords, with Commons committees reserving the right to undertake scrutiny of particular pieces of legislation within their remits, was discussed. The subject of post-legislative scrutiny was also raised at our meeting with the new Leader of the House and the former Leader, now Secretary of State for Justice, in October 2007,<sup>68</sup> and at our meeting with the Chairman of the Law Commission, Sir Terence Etherton, in May 2008.

64. The Government published a Command Paper on its approach to post-legislative scrutiny, incorporating its response to the Commission's report, on 20 March 2008.<sup>69</sup> The Command Paper takes account of our views,<sup>70</sup> and states:

[...] the basis for a new process for post-legislative scrutiny should be for the Commons committees themselves, on the basis of a Memorandum on appropriate Acts submitted by the relevant Government department, and published as a Command paper, to decide whether to conduct further post-legislative scrutiny of the Act in question.

Such memoranda would be published as Command Papers between three and five years after Royal Assent, and provide information on the Act's implementation and operation. The relevant select committee would decide whether it wished to conduct a specific post-legislative inquiry into the Act, or perhaps to include it as part of another inquiry within its work programme. Publication as a Command Paper would allow "Lords and other interests to take up points raised in it". However, "the prime responsibility would rest with the Commons Committee initially to consider the Memorandum". The Government notes that in some cases it might be appropriate for a different parliamentary body—whether a Lords or Commons committee, or a joint committee—to conduct further scrutiny, "though not ordinarily if the Commons Committee has decided to conduct a review".<sup>71</sup> The Government "does not at this stage envisage establishing a permanent committee dedicated to post-legislative scrutiny".<sup>72</sup> **We look forward to examining the Government's proposals for more systematic post-legislative scrutiny, and discussing their implementation with ministers. At this stage, we welcome the Government's**

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67 Liaison Committee, *Annual Report for 2005–06*, paras 101–05

68 See also para 31 above.

69 Office of the Leader of the House of Commons, *Post-legislative Scrutiny—The Government's Approach*, Cm 7320, March 2008

70 Cm 7320, Appendix, para 19

71 Cm 7320, para 9 and Appendix, paras 16, 19, 21

72 Cm 7320, Appendix, para 25

recognition that post-legislative scrutiny is, in the first instance, a matter for Commons select committees.

### Task 10: Debates in Westminster Hall and the Chamber

65. Core Task 10 relates to “assisting the House in debate and decision”, through the production of reports suitable for debate. Select committee reports often inform, or form the basis for, debates on the floor of the House and in Westminster Hall. In many cases, a report is ‘tagged’ on the Order Paper as being of particular relevance to the debate, and in this way the committee’s findings can inform proceedings. In addition, there are dedicated debates on committee reports. The Liaison Committee chooses the subject for six debates each year in Westminster Hall, and some Reports, also chosen by the Liaison Committee, debated on three days a year on the floor of the House.<sup>73</sup>

66. In 2007, there were 23 debates in Westminster Hall on committee reports, as set out in Table 14—an increase from 21 in the previous year.<sup>74</sup> 25 reports from 14 select committees were debated. Debates on committee reports can attract significant interest from Members—for instance, the debate on the former Trade and Industry Committee’s Report on Post Office restructuring had the highest attendance of any Westminster Hall debate on a select committee report to date.<sup>75</sup>

**Table 14: Committee reports debated in Westminster Hall in 2007**

Committee	Report or issues	Date of debate
Communities and Local Government	Coastal towns	7 June 2007
Constitutional Affairs	Coroners’ system and death certification	8 March 2007
	Carter review (legal aid)	12 July 2007
Culture, Media and Sport	Protecting and preserving our heritage	25 January 2007
Environment, Food and Rural Affairs	British Waterways	25 April 2007
Environmental Audit	Emissions trading	25 October 2007
Foreign Affairs	East Asia	1 February 2007
	FCO’s human rights annual report 2006	11 October 2007
Health	Independent sector treatment centres	10 May 2007

73 Standing Orders No. 10 (13), 54 and 145 (3)

74 *Sessional Returns, Session 2005–06*, pp. 40–46

75 HC Deb, 29 November 2007, col 135WH

<b>Committee</b>	<b>Report or issues</b>	<b>Date of debate</b>
International Development	Peacebuilding and post-conflict reconstruction	22 March 2007
	Development assistance and the Occupied Palestinian Territories	5 July 2007
	DFID assistance to Burmese internally displaced people and refugees on the Thai-Burma border	6 December 2007
Joint Committee on Human Rights	Human trafficking	24 May 2007
	Treatment of asylum seekers	13 December 2007
Quadripartite	Strategic export controls	22 February 2007
Science and Technology	Drug classification	14 June 2007
Trade and Industry / Business, Enterprise and Regulatory Reform	New nuclear? Examining the issues	19 April 2007
	Post Office restructuring	29 November 2007
Transport	Parking policy and enforcement	18 January 2007
	How fair are the fares? Train fares and ticketing	26 April 2007
Treasury	Administration of tax credits	15 March 2007
	Financial inclusion	15 November 2007
Work and Pensions	Government employment strategy	17 May 2007

67. In addition to Westminster Hall debates, committee reports are considered in Estimates Day debates on the floor of the House, as set out in Table 15. Reports of the Committee of Public Accounts were debated on the floor of the House on 19 April and 23 October.

Table 15: Committee reports debated on Estimates Days in 2007

<b>Committee</b>	<b>Subject of Report</b>	<b>Date of debate</b>
Environment, Food and Rural Affairs	Rural Payments Agency and the implementation of the Single Payment Scheme; UK Government's "Vision for the Common Agricultural Policy"	9 July 2007
Health	NHS deficits	12 March 2007
Public Administration	Ethics and Standards: The Regulation of conduct in public life	5 December 2007
Science and Technology	Scientific Advice, Risk and Evidence Based Policy Making	9 July 2007
Transport	Local transport planning and funding	12 March 2007
Work and Pensions	Benefits simplification	5 December 2007

## 3 Working practices

68. In this section, we consider ways in which committees have sought to develop new ways of working that will enhance their effectiveness, in terms of evidence-gathering, working with others, connecting with the public, etc. We also cover factors affecting committees' working practices, such as changes in the machinery of Government.

### Changes in committee remits

69. The changes made by the Prime Minister to the machinery of Government in July 2007 last session were not mirrored by changes in the remit of select committees until the start of the new session in November 2007. Four committees have been replaced:

- Trade and Industry;
- Education and Skills;
- Science and Technology, and
- Constitutional Affairs.

Their responsibilities have been taken on by four new committees, albeit with slightly different remits. Table 16 below sets out their new responsibilities and the change in their membership relative to their predecessor committees.<sup>76</sup> The remits of the Home Affairs and Justice Committees also changed as a result of the transfer of some responsibilities from the Home Office to the new Ministry of Justice in May 2007.

**Table 16: The new select committees**

Committee	Responsibilities	Membership
Business, Enterprise and Regulatory Reform (formerly Trade and Industry; Business and Enterprise since 11 March 2008)	Trade, markets, regulation, energy policy, Government assets	11 (-3)
Children, Schools and Families (formerly Education and Skills)	Policy on families and children, primary and secondary education	14 (+3)
Innovation, Universities and Skills (formerly Science and Technology; Innovation, Universities, Science and Skills since 11 March 2008)	Further and higher education, skills ( <i>from Education and Skills Committee</i> ); science and technology ( <i>from Science and Technology Committee</i> )	14 (+3)

<sup>76</sup> On 11 March 2008 the House agreed to change the names of the Business, Enterprise and Regulatory Reform Committee to the Business and Enterprise Committee, and the Innovation, Universities and Skills Committee to the Innovation, Universities, Science and Skills Committee.

Committee	Responsibilities	Membership
Justice (formerly Constitutional Affairs)	Courts, prisons, probation, criminal law, sentencing	14 (+3)

## Working with others

### Cooperation between committees

70. Where an issue cuts across the remits of several committees, they have the power to cooperate.<sup>77</sup> Committees do this both formally, for instance through joint meetings, and informally, through the sharing of information or liaison at staff level. Some examples of this kind of coordination are given in Table 17. In addition, members of the Defence, Foreign Affairs, International Development and Trade and Industry Committees meet concurrently as the Committees on Arms Export Controls.

**Table 17: Cooperation between select committees**

Committees	Joint scrutiny activity
Culture, Media and Sport and Trade and Industry	Joint oral evidence session on the Ofcom Annual Plan for 2007–08. The Culture, Media and Sport Committee believes that “scrutiny by a number of committees with relevant specialist knowledge can be the most effective method of monitoring projects with many overlapping interests”. <sup>(1)</sup>
Defence and Foreign Affairs	Joint oral evidence session on Iraq with the Foreign and Defence Secretaries (January 2007). The Foreign Affairs Committee described this as providing “an opportunity to scrutinise the Government’s role in Iraq in a more holistic way”. <sup>(2)</sup>
Home Affairs and House of Lords Constitution Committee	The Home Affairs Committee “communicated on an informal basis with the Constitution Committee of the House of Lords, which is undertaking an inquiry into the impact of surveillance and data collection and considering a great many of the same issues as our own inquiry into surveillance”. <sup>(3)</sup>

(1) Culture, Media and Sport Committee, *Work of the Committee in 2007*, para 22. (2) Foreign Affairs Committee, *The Work of the Committee in 2007*, para 37. (3) Home Affairs Committee, *Work of the Committee in 2007*, para 60.

The European Scrutiny Committee notes that its formal and informal cooperation with the departmental select committees has been productive: for instance, cooperation with the Transport Committee on EU-US aviation agreements “significantly enhanced” scrutiny. The ESC has also ensured that the Government notifies departmental select committees of Commission consultations on proposals at the earliest stage of the scrutiny process.<sup>78</sup>

### Availability of Members for select committee work

71. The operation of select committees depends on the availability of Members for their work, and here the role of the Whips, both formal and informal, can be vital. They are

<sup>77</sup> Select committees have the power to “meet concurrently with any other committee or sub-committee of either House of Parliament for the purpose of deliberating or taking evidence” ( Standing Order No. 137A (1)(b)).

<sup>78</sup> European Scrutiny Committee, *The work of the committee in 2007*, paras 34, 36. Paras 14–15 above give more information about scrutiny of EU legislation.

responsible for nominating and replacing Members on committees, and their approach to pairing can facilitate or jeopardise committee travel in the UK and abroad. On a number of occasions in 2007 committee chairmen reported to the Liaison Committee on problems they faced in both these areas. For instance, any change in the identity or membership of committees inevitably brings with it disruption to the work of the committee concerned. The changes that took place in 2007 following the change in government departments that summer were accompanied by long delays. The Justice Committee reported that uncertainties in the Committee's membership "caused difficulties in the forward planning of the Committee's future programme and maintaining the levels of scrutiny necessary for the major policy portfolio of the new Department".<sup>79</sup>

72. We are also aware of other problems with the appointment and discharging of committee members. There have been examples of Members being discharged from committees without prior notification, or being appointed to committees without consultation—either with the committee chairman or indeed with the Member concerned.

73. We are also aware of problems arising in the management of committee visits as a result of late decisions by the Whips. There have been occasions when committee visits have been curtailed, or cancelled, at short notice, when the Whips have insisted that members attend to take part in divisions in the House. We discussed these issues with the Government and Opposition Chief Whips, at an informal meeting in November 2007 and through correspondence.

**74. We have been concerned by the length of time it has taken in some instances to appoint and replace members of select committees. We urge the Leader of the House, the Committee of Selection and the Government and Opposition Whips to liaise more closely, and work together in order to speed up the nomination process. We also urge the Whips of all parties to ensure members are appointed to and discharged from committees only after proper consultation with all those affected. While we recognise the natural desire of the Whips to ensure attendance of Members for important votes, we hope to work with them to achieve greater certainty for the forward planning of committee business.**

### ***Relations with the devolved institutions***

75. The three committees charged with oversight of the territorial departments of state continue to maintain close links with the devolved institutions. We have already noted the way the Welsh Affairs Committee has interacted with the National Assembly for Wales in considering draft Legislative Competence Orders (paragraphs 28–29 above). In our Report on the work of committees in 2005–06, we reported on plans for joint meetings of the Welsh Affairs Committee and counterpart committees from the Welsh Assembly (known as "reciprocally enlarged" meetings).<sup>80</sup> No such meetings occurred in 2006 or 2007.<sup>81</sup> However, in its annual Report, the Welsh Affairs Committee notes that pre-legislative scrutiny of draft Legislative Competence Orders would give occasion for greater use of

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79 Justice Committee, Second Report of Session 2007–08, *Work of the Committee in 2007*, HC 358, para 3

80 Liaison Committee, *Annual Report for 2005–06*, para 60

81 Welsh Affairs Committee, *Work of the Committee in 2007*, para 47

reciprocal enlargement.<sup>82</sup> Indeed, such a meeting did take place at Cardiff Bay on 17 January 2008.<sup>83</sup>

76. The change of Government at Holyrood in May 2007 has meant that for the first time, the governing party in Scotland is not the same as at Westminster. The Scottish Affairs Committee is “keen to scrutinise the effect of ‘cohabitation’ on the operation of devolution”.<sup>84</sup>

77. With the return of the Northern Ireland Assembly on 8 May 2007, the Northern Ireland Affairs Committee saw its remit shrink from covering a majority of policy areas to policing, criminal justice and political and constitutional developments.<sup>85</sup> This will clearly have an impact on the Committee’s work programme, although before the return of the Assembly, the Committee undertook a major inquiry into tourism in Northern Ireland.<sup>86</sup> The Committee continued to benefit from good relations with the institutions of the devolved assembly.<sup>87</sup>

### **Relations with the judiciary**

78. Relations between the judiciary and Parliament—especially its committees—have continued to be positive. Owing to its particular remit, the former Constitutional Affairs Committee (succeeded by the new Justice Committee) has been especially active in this area. The Committee met frequently with members of the judiciary, aiming primarily to investigate the relationship between the judiciary and the Ministry of Justice. In the course of the year, representatives of the senior judiciary and the circuit bench appeared before the Committee to communicate the judiciary’s views on issues such as the organisational structure of the Her Majesty’s Courts Service, sentencing policy, overcrowding in prisons, and the creation of the Ministry of Justice itself.<sup>88</sup>

79. The Liaison Committee continued to act as a point of parliamentary contact for the Law Commission, and our Chairman held a productive informal meeting with the Chairman of the Commission, Sir Terence Etherton, in May 2007.<sup>89</sup> **We are grateful to members of the judiciary for their willingness to give evidence to committees and otherwise to participate in their inquiries, and we look forward to continuing our relationship with the Law Commission, including on the development of post-legislative scrutiny.**

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82 Welsh Affairs Committee, *Work of the Committee in 2007*, para 15

83 Welsh Affairs Committee, Press Notice No. 8 of Session 2007–08, *Welsh Affairs Committee and Assembly Committee meeting to scrutinise proposed legislative competence order on domiciliary care*, 16 January 2008

84 Scottish Affairs Committee, *Work of the Committee in 2007*, para 3

85 Northern Ireland Affairs Committee, Second Report of Session 2007–08, *The Work of the Committee in 2007*, HC 286, para 2

86 Northern Ireland Affairs Committee, Third Report of Session 2006–07, *Tourism in Northern Ireland and its Economic Impact and Benefits*, HC 119

87 Northern Ireland Affairs Committee, *The Work of the Committee in 2007*, para 22

88 e.g. Constitutional Affairs Committee, Sixth Report of Session 2006–07, *The creation of the Ministry of Justice*, HC 466, Ev 1, 6 and 13

89 See also para 63 above.

### *Relations with government departments*

80. As in previous years, committees have commented on their relations with the departments which they monitor, and experience continues to be mixed. On the positive side, the Joint Committee on Human Rights reported that it was “appreciative of the depth and quality of the letters we usually receive from Government when we raise human rights issues in bills with departments”.<sup>90</sup> The Home Affairs Committee has an agreement with the Home Office, whereby it receives updates on the action taken in respect of recommendations made by the Committee which are accepted. These updates occur annually within the lifetime of a Parliament, and are normally “a line-by-line analysis of Committee recommendations [...] any deviation from this for specific reports should be by exception”.<sup>91</sup>

81. Regrettably, there are also many instances where committees’ experience of working with government departments has been more negative. Committees have criticised the length of time it took the Government to submit evidence to inquiries or respond to their reports, and the quality of the responses received:

- the MoD submitted written evidence to the Defence Committee’s inquiry into UK Defence: commitments and resources on 3 January 2008, 209 days after the deadline of 7 June, a date already pushed back from 20 March because of the inadequacy of the Ministry’s initial submission;<sup>92</sup>
- one government response to a Report from the Joint Committee on Human Rights was more than 10 months late, and<sup>93</sup>
- on two occasions, the Public Administration Select Committee waited over a year for a response from the Cabinet Office to a Report. They comment that ‘delay has become the rule rather than the exception’.<sup>94</sup>

82. Some committees also reported that responses received were themselves of varying quality. The Environment, Food and Rural Affairs Committee notes that the departmental responses provided by Defra were “frequently negative in tone and often fail to engage with our arguments”.<sup>95</sup> The Treasury Committee was “particularly concerned by the Government’s habit of re-stating in a reply a position that was clearly outlined in evidence given to us or the Sub-Committee during the preceding inquiry and reflected in our own account of evidence received”.<sup>96</sup>

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90 Joint Committee on Human Rights, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, para 80

91 Home Affairs Committee, *Work of the Committee in 2007*, para 23

92 Defence Committee, *The work of the Committee in 2007*, para 17

93 Joint Committee on Human Rights, *The Work of the Committee in 2007 and the State of Human Rights in the UK*, para 83

94 Public Administration Select Committee, *Work of the Committee in 2007*, para 50

95 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 36

96 Treasury Committee, *Work of the Committee in 2007*, para 37

83. In some cases, committees have issued reports to express their disappointment over the adequacy of government replies.<sup>97</sup> The Communities and Local Government Committee, while generally pleased with the timeliness of government replies, was dissatisfied with the response to its Report on coastal towns. As a result of pressure from the Committee, the Government produced a second response which met with the Committee's approval.<sup>98</sup> The Science and Technology Committee also requested that the Government revise a response which did not address any of the Committee's recommendations.<sup>99</sup>

84. Fewer committees reported significant problems this year in obtaining information from the Government, and attendance by officials or ministers. However, the Foreign Affairs Committee noted continuing problems with extracting information from the Foreign and Commonwealth Office: "the FCO too often classifies material unnecessarily and in ways which, even if they are not calculated to avoid public scrutiny, certainly have that effect".<sup>100</sup> In its response the Government committed itself to considering ways in which less sensitive parts of an otherwise classified document might be released.<sup>101</sup>

**85. We deplore the fact that departments have in some cases taken an inordinate amount of time to submit written evidence and responses to committees. Departments should engage in a positive and timely manner with select committee inquiries. This includes making information available to committees unless there are compelling reasons to withhold it. In this context, we welcome the Home Office's positive approach to working with the Home Affairs Committee, and the FCO's commitment to consider ways in which information in classified documents could be made available to the Foreign Affairs Committee. We encourage all departments to look upon parliamentary scrutiny as an important process rather than a necessary evil, as sometimes seems to be the case. We also commend the practice of committees in following up inadequate government responses, as this is the most effective way of ensuring better practice in the future.**

## Information gathering

86. Information-gathering practices once regarded as innovative are now increasingly part of committees' standard repertoire. Committees use various alternatives to the traditional on-the-record evidence sessions, such as the appointment of sub-committees<sup>102</sup> or informal "rapporteurs", which allow committees to make the best use of Members' time and cover a wider range of subjects.<sup>103</sup> The use of seminars, on which we have commented in previous Reports, is now routine for many committees.<sup>104</sup> It is now standard practice for the

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97 e.g. Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 36

98 Communities and Local Government Committee, First Report of Session 2007–08, *Coastal towns: the Government's Second Response*, HC 69, paras 2–3

99 Science and Technology Committee, Thirteenth Report of Session 2007–08, *The last report*, HC 1108, para 23

100 Foreign Affairs Committee, Eighth Report of Session 2006–07, *Global Security: The Middle East*, HC 363, para 8

101 Foreign Affairs Committee, *Global Security: The Middle East: Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 7212, p 5 (para 10)

102 In Session 2006–07, six select committees, including three departmental committees, appointed sub-committees. Source: *Sessional Returns, Session 2006–07*.

103 See e.g. Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, paras 31–35.

104 Public Administration Select Committee, *Work of the Committee in 2007*, para 47

Communities and Local Government Committee to hold seminars ahead of major inquiries, which it regards as a “useful means of informally exploring topics and assist us in identifying issues to pursue through the more formal means of an inquiry”.<sup>105</sup>

87. The Home Affairs Committee consulted focus groups, and commissioned its own focus group research, during its inquiry into young black people and the criminal justice system, as part of an effort to involve individuals and groups who might not normally consider contributing to select committee inquiries.<sup>106</sup> The Environment, Food and Rural Affairs Committee, in announcing its inquiry into the floods that affected England in Summer 2007, invited brief e-mails “from people and organisations directly affected by the recent flooding, with suggestions about the issues the Committee should examine during its inquiry”.<sup>107</sup> The inquiry received a large number of responses.<sup>108</sup>

88. Committees also make good use of visits away from Westminster to gather information. In 2007, the Treasury Committee took opportunities during visits abroad to hold meetings on subjects other than the main topic of inquiry. These ‘off-topic’ meetings formed the bases of subsequent inquiries.<sup>109</sup> We would like to note here the appreciation expressed by several committees for the assistance given to them in their overseas visits by staff of the Foreign and Commonwealth Office and its posts abroad and the UK National Parliament Office in Brussels.<sup>110</sup>

89. Several committees have sought to enhance the value of visits away from Westminster through taking oral evidence as part of the visit. Such approaches also help ensure that the maximum value for money is obtained from expenditure on committee travel. In 2006–07, 11% of UK visits by committees included a formal public evidence session.<sup>111</sup> Visits outside Westminster can also be a form of “outreach” to the public. A pilot scheme is being developed by the House service to explore ways of promoting Parliament in targeted regions across the UK. This will include aiding the facilitation and promotion of visits and meetings of select committees away from Westminster.<sup>112</sup>

### Online forums

90. In our previous Report, we noted that the Defence Committee ran an online forum as part of its inquiry into educating service children.<sup>113</sup> In 2007 the House brought the process ‘in-house’, having previously used the Hansard Society as its agent. It now draws on the resources of staff of the individual committees concerned and the Committee Office Scrutiny Unit, the Web Centre and the Parliamentary Information and Communications

105 Communities and Local Government Committee, *Work of the Committee in 2007*, para 29

106 Home Affairs Committee, Second Report of Session 2006–07, *Young Black People and the Criminal Justice System*, HC 181-I, para 11

107 Environment, Food and Rural Affairs Committee, Press Notice No. 60 of Session 2006–07, *Flooding*, 26 July 2007

108 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 39

109 Treasury Committee, *Work of the Committee in 2007*, paras 7–8

110 See e.g. Home Affairs Committee, *Work of the Committee in 2007*, paras 6, 58.

111 *Sessional Returns, Session 2006-07*, HC 1

112 See also para 97 onwards for more information on committees’ relations with the public and the media.

113 Liaison Committee, *Annual Report for 2005–06*, para 73

Technology Department (PICT). Since this change, five committees have made use of the service. In 2007, the Defence Committee held a further online forum, as part of its inquiry into Medical Care for the Armed Forces, which received in excess of 150 postings.<sup>114</sup> Both the joint committees appointed to scrutinise draft bills incorporated online forums into their evidence-gathering programme, and two more committees launched forums at the start of 2008: the Home Affairs Committee, on domestic violence, and the Procedure Committee, on e-petitions.

**91. Online forums can be a means of accessing information from people who would be hard to reach through the routes traditionally used by committees, and have the potential to encourage the public to engage more fully with Parliament. We encourage more committees to consider this approach to information gathering, where there are likely to be communities of interest who would not otherwise participate in committee inquiries. However, online forums can be resource-intensive to set up and run, and so care should be taken that they are employed only when they can add specific value to an inquiry. Committees can make particularly effective use of the information they obtain through this method by publishing a summary of the views expressed and referring to online comments in their reports. In this way, contributors to online forums can be reassured that their views are being heard.**

### **Sources of advice and assistance**

92. In addition to their own staff, committees are able to draw on advice and assistance from other sources, such as the House of Commons Department of Information Services (formerly the House of Commons Library), the Committee Office Scrutiny Unit, the Parliamentary Office of Science and Technology and the National Audit Office. Cooperation with the Library has been further enhanced in recent years by secondments of Library research staff to committee teams.

93. The National Audit Office (NAO), in addition to its traditional role supporting the Committee of Public Accounts (PAC), has continued to assist other select committees in both Houses. More resource has been made available for this in recent years: the NAO's budget for assistance to committees other than the PAC was £1.4 million in the 2007–08 financial year, which is planned to increase from to £2 million in 2008–09.<sup>115</sup> The relationship between the NAO and select committees continues to be fruitful, with 11 committees receiving specialist help from the NAO during 2007. The Treasury Committee drew on the NAO for briefing and a short attachment by a NAO official in advance of the Sub-Committee's session with the Debt Management Office.<sup>116</sup> Other committees also benefited from secondments from the NAO, as does the Scrutiny Unit. In our 2006 Report, we reported the particularly strong link between the Environmental Audit Committee and the NAO, and that a dedicated EAC team had been set up at the NAO.<sup>117</sup> This year, the Environmental Audit and Sustainable Development team contributed to the EAC's inquiry

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114 Defence Committee, *The work of the Committee in 2007*, para 56

115 The Public Accounts Commission, Minutes of Evidence, 3 March 2008, and information from the NAO. Detailed information about the work of the NAO in supporting select committees is contained in Appendix 4.

116 Treasury Committee, *Work of the Committee in 2007*, para 34

117 Liaison Committee, *Annual Report for 2005–06*, para 77

into Regulatory Impact Assessments, and the NAO assisted in three other EAC inquiries.<sup>118</sup> A member of NAO staff also made a valuable contribution to the secretariat of the Joint Committee on the draft Climate Change Bill.<sup>119</sup> In addition, as in previous years, one of the EAC's committee specialists is on secondment from the NAO.

94. A new departure for the NAO this year was the provision of formal written briefings on the performance of three departments in 2006–07. This was a pilot exercise, conducted for the BERR Committee, the Communities and Local Government Committee and the Defence Committee. The briefings were based on material in Departmental Annual Reports and, where appropriate, on issues that had arisen from the National Audit Office's own work. The NAO states that the briefings “aim to assist committees in navigating and interpreting the substantial amounts of information available on the performance of specific departments and to identify areas that committees may wish to explore”.<sup>120</sup> **Once again, we express our appreciation of the specialist assistance the National Audit Office provides to select committees. We believe such assistance is most valuable when it responds to specific committee needs, and we encourage committees to consider ways in which the NAO can help them.**

95. The Committee Office Scrutiny Unit provided specialist assistance to many committees during the year, including all of the departmental committees. For instance, the Transport Committee noted the “significant help” provided by the Unit.<sup>121</sup> A detailed account of the Unit's work is published as Appendix 3 to our Report. The main areas of its work are in financial scrutiny and the scrutiny of draft bills, but—as in previous years—the Unit has been able to offer more general help to committees, in particular when they have been short of resources. Overall, almost half (46%) of Scrutiny Unit staff time was spent on expenditure-related tasks, 23% on draft bills and 31% on “other” activities. Staff of the Unit formed part of the secretariat of two joint committees on draft bills in 2007, and have continued to assist the Liaison Committee, notably in its work on financial scrutiny. The recent NAO-led review of committee resources concluded that the Unit had helped drive up the quantity and quality of financial scrutiny, and had been essential in enabling select and joint committees to scrutinise draft bills. **We note the important added value which the Scrutiny Unit has continued to bring to the work of committees.**

### **Information on government websites**

96. Government websites are an important source of official information for the public and Parliament, including select committees. For this reason, the Transport Committee was concerned at proposals announced in January 2007 to close hundreds of government websites, while concentrating “information of continuing relevance” on two sites. More generally, the Committee was concerned about the issue of broken links, where a website address ceases to point to the information it once did. The Committee pursued this matter with the Secretary of State and alerted the Liaison Committee, and our Chairman wrote to

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118 Letter from the Chairman of the Environmental Audit Committee, Appendix 1, para 13; NAO, Appendix 4, para 7

119 The work of the Scrutiny Unit in 2007, Appendix 3, para 3

120 NAO, Appendix 4, paras 5–6. The briefings are published at [http://www.nao.org.uk/publications/select\\_committees.htm](http://www.nao.org.uk/publications/select_committees.htm)

121 The work of the Scrutiny Unit in 2007, Appendix 3, para 3

the Leader of the House. As a result of the issue being raised in this way, the Government has established a working group of officials led by the National Archives and including representatives of the Central Office of Information, the British Library, the House of Commons Library and the Parliamentary Archives. The Government is now committed to developing an effective website archiving and lookup service to ensure that material on the internet will continue to be available and easily retrieved.<sup>122</sup>

## Engaging with the public and the media

97. Promoting public knowledge and understanding of Parliament is one of the primary objectives of the House of Commons Service. Select committees are particularly effective ambassadors of Parliament, as they deal with many of the day-to-day subjects which matter to the public, and through their visits around the UK are able to take Parliament to the people. Committees engage directly with the public, but also by using a wide range of print, broadcast and online media to publicise their work. In this section we highlight some examples of interesting practice in both these areas. We also draw attention to the practices in information gathering noted above, which can play an important part in engaging the public with the work of committees.

98. Committees can and do set the agenda for public and media debate on topical issues, through the choice of timely and high-profile inquiries and their ability to pursue issues over considerable periods of time. Some highlights from 2007 include:

- Inquiries by the Environment, Food and Rural Affairs Committee and the Committee of Public Accounts into the Rural Payments Agency,<sup>123</sup> and
- the Treasury Committee’s inquiry into private equity—during which the head of the association of private equity firms resigned after an evidence session where he was not thought to have performed effectively.<sup>124</sup>

99. A key feature of successful committee work is that committees can react swiftly to current events. By responding quickly to major events, committees demonstrate a willingness to engage with the public on matters of significant concern. There have been many occasions on which committees have been “light on their feet” in this way.<sup>125</sup> The Treasury Committee’s high profile scrutiny of the crisis at Northern Rock showed, as the Committee said, how select committees “play a unique role both in ensuring the public accountability of key participants in an unfolding crisis and in serving as the most important forum in which possible reforms are mooted and considered”.<sup>126</sup> This inquiry also shows the way in which committees can set the agenda: the initial evidence session, held during the summer recess, was intended to cover the Bank of England’s August

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122 Transport Committee, *Work of the Committee in 2007*, paras 26–29

123 Environment, Food and Rural Affairs Committee, Third Report of Session 2006–07, *The Rural Payments Agency and the implementation of the Single Payment Scheme*, HC 107. See also HC 893-i (Session 2006–07) for evidence given by Johnston McNeill, former Chief Executive of the Rural Payments Agency to the Committee of Public Accounts.

124 “Private equity boss quits after Commons mauling”, *The Daily Telegraph*, 4 September 2007, [www.telegraph.co.uk](http://www.telegraph.co.uk)

125 See e.g. Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 30.

126 Treasury Committee, *Work of the Committee in 2007*, para 5

inflation report, but the Committee seized the chance to question the Governor of the Bank on the most important financial issue of the day.<sup>127</sup>

100. Committees have also used imaginative approaches to UK visits to raise the profile of their work and that of Parliament. For instance, the EFRA Committee travelled by boat from Hardwicke to the National Waterways Museum in Gloucester where it held an evidence session as part of its inquiry into British Waterways.<sup>128</sup> Committees have also sought to raise the impact of their reports through carefully planned launches. The Scottish Affairs Committee and the Communities and Local Government Committee both returned to an area visited during their inquiries to launch their Reports.<sup>129</sup> The Science and Technology Committee published its Report on space policy at the Science Museum, inviting not only the media but also relevant stakeholders. This helped ensure the Report's launch made a good impact, in the media and in the scientific community.<sup>130</sup>

### 'You and Yours'

101. Last year we noted an innovative approach to public engagement by committees: the appearance of select committee chairmen on the BBC's 'You and Yours' programme.<sup>131</sup> We are pleased to note the continuing success of this initiative. Such broadcasts give members of the public a useful opportunity to inform a committee's inquiry before oral evidence sessions take place, as well as providing a platform for committee chairmen to explain the work of their committees. In several cases, the programme-makers submitted a written summary of the views of participants to the committee. Such occasions are marked in with an asterisk in Table 18 below.

**Table 18: appearances by committee chairmen on Radio 4's *You and Yours* in 2006–07**

Committee (Member)	Topic	Date
Communities and Local Government	Refuse collection*	1 May 2007
Environment, Food and Rural Affairs	Climate change: the "citizen's agenda"*	6 February 2007
Environment, Food and Rural Affairs	The potential of England's rural economy	19 June 2007
Environmental Audit	Carbon off-setting	3 April 2007
Transport	Passengers' experiences of air travel*	15 April 2007
Work and Pensions	Child support reform	5 February 2007

Source: [http://www.bbc.co.uk/radio4/youandyours/select\\_committee\\_archive.shtml](http://www.bbc.co.uk/radio4/youandyours/select_committee_archive.shtml)

127 Treasury Committee, Fifth Report of Session 2007–08, *The run on the Rock*, HC 56-I, para 3

128 Environment, Food and Rural Affairs Committee, Seventh Report of Session 2006–07, *British Waterways*, HC 345-I, para 9

129 See Scottish Affairs Committee, *Work of the Committee in 2007*, para 7. Communities and Local Government Committee, *Work of the Committee in 2007*, para 30

130 Science and Technology Committee, Press Notice No. 48 of Session 2006–07, *Publication of Report "2007: A Space Policy"*, 4 July 2007

131 Liaison Committee, *Annual Report for 2005–06*, para 82

### **Committee web pages**

102. The web pages of individual committees, and of Parliament as a whole, are an increasingly important source of information for the public and the media. Work has continued during the year to improve the committee pages on the parliamentary website, with the intention of making them more user-friendly. The parliamentary website itself now includes more information about select committee activities, e.g. highlighting committee evidence sessions and new reports on the 'front page' of the site. The media are also making more use of the committee websites. For instance, the BBC news website regularly adds a link to a committee's home page if it is running a story on an inquiry or a report, as in the case of the Treasury Committee's inquiry into Northern Rock.

### **Witness feedback**

103. In our Report on the work of committees in 2005–06, we noted the successful piloting of a scheme for committees to obtain feedback from witnesses about their experience of appearing before committees.<sup>132</sup> A generic witness feedback form has now been adopted by the majority of select committees and comments from those who have given evidence were overwhelmingly positive about the experience. So far, the level of response to the feedback forms has been low, and it is difficult to draw conclusions about committee practice from such a small sample.

### **Embargo period for advance copies of reports**

104. In our Report last year, we recommended that the maximum period during which committees may release their reports, under embargo, to government departments, witnesses and the media be increased from 48 to 72 hours. We argued that this change would improve coverage of committee reports.<sup>133</sup> The House approved this change on 28 March 2007. We are pleased to note the positive impact of this change on the media coverage of reports, including better coverage in specialist publications, which have a longer print deadline than daily newspapers. The extended embargo period has made it easier for committees to publish reports on Mondays while being able to supply advance copies to journalists before the weekend. The extended embargo period has also enabled committees to be more flexible in how they handle media briefings, allowing for better-informed media coverage. The process has not led to any abuse of embargo times.

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132 Liaison Committee, *Annual Report for 2005–06*, para 85

133 *Ibid.*, para 90

## 4 New developments

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### Regional committees

105. The *Governance of Britain* Green Paper made proposals to improve democratic accountability and scrutiny of the delivery of public services in the English regions.<sup>134</sup> This followed on from proposals in a Report from the Communities and Local Government Committee for the establishment of “more thorough and consistent scrutiny of the regions at Westminster”. The Committee suggested that select committees on the regions might be appointed, on an experimental basis, and asked the Modernisation and Procedure Committees to examine the detailed implications of improved parliamentary scrutiny for the regions.<sup>135</sup> We discussed the Government’s proposals at our informal meeting with the Leader of the House and the Secretary of State for Justice, and the Modernisation Committee is now inquiring into regional accountability, including what models of accountability might work; what the role of the House should be in regional accountability; and what resources would be needed to make regional accountability work in the House of Commons.<sup>136</sup>

106. Our Chairman and two select committee chairmen gave evidence to the Committee’s inquiry in February 2008. We argued that any new parliamentary arrangements for regional accountability should not overlap with, or undermine, the role of the existing departmental select committees. We also expressed concern about practical issues—for instance the possibility of conflicting demands for resources and access to relevant witnesses.<sup>137</sup> The Secretary of State for Communities and Local Government, Rt Hon Hazel Blears, and the Regional Minister for the South West, Ben Bradshaw, gave evidence to the Committee’s inquiry on 5 March 2008. The Ministers argued that Parliament could have “a clearer role in holding to account the range of regional organisations”. Ministers felt that the nature of any new committees was “very much for the House to decide”, although Ms Blears floated the idea of some kind of “hybrid” committee model—“a select committee with constraints”. Ms Blears agreed that, if a select committee model was chosen, there was a risk of overlap and confusion with existing select committees, and that therefore “clear boundaries” and a “proper structure” would have to be put in place. Mr Bradshaw also drew attention to the existing pressures on Members’ and ministers’ time, which should be taken into account in deciding what kind of new system should be established.<sup>138</sup>

**107. We await the outcome of the Modernisation Committee’s inquiry into regional accountability, and more detailed proposals from the Government. At this stage, we reiterate the concerns put to the Modernisation Committee by our Chairman and other Members, that establishing a group of select committees on the regions, operating in**

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<sup>134</sup> Ministry of Justice, *The Governance of Britain*, Cm 7170, paras 115–20

<sup>135</sup> Communities and Local Government Committee, *Is there a future for Regional Government?*, paras 113–14

<sup>136</sup> Select Committee on the Modernisation of the House of Commons, Press Notice No. 10 of Session 2007–08, *New inquiries*, 24 October 2007

<sup>137</sup> Select Committee on the Modernisation of the House of Commons, Minutes of Evidence, 27 February 2008, HC 282-iv

<sup>138</sup> Select Committee on the Modernisation of the House of Commons, Minutes of Evidence, 5 March 2008, HC 282-v, Qq 144, 152, 163–64, 166

the same way as the existing departmental select committees, could lead to wasteful duplication of effort, confusion over the roles of the different committees and conflicting demands for resources and access to relevant witnesses. We welcome the prospect of enhanced regional accountability, but it must not be at the expense of replicating—or weakening—the existing scrutiny system.

### Scrutiny of major planning proposals

108. The Planning Bill, published in November 2007, contains provisions which could have a significant impact on the work of certain select committees.<sup>139</sup> The Bill would create a new system of development consent for nationally significant infrastructure projects, including the publication by the Secretary of State of “national policy statements” on proposed planning and development projects. The Government suggests that such statements could cover, for instance, key elements of energy policy relevant to infrastructure provision and infrastructure development for water supply and waste water treatment. Such statements would “set the framework” for decisions by the proposed new Infrastructure Planning Commission. The Government proposes that the House “establish a new select committee with the main purpose of holding inquiries into draft national policy statements in parallel with public consultation”, and suggests that such a committee should be comprised of members from existing select committees with a particular interest: BERR, EFRA, Transport and Communities and Local Government.<sup>140</sup>

109. Chairmen of the committees most affected have twice discussed the Government’s proposals with the Leader of the House. These discussions are continuing. The Government has not yet made a detailed announcement about how it intends to proceed, and the Planning Bill is still before Parliament. At this stage, we make the following points:

- **The principle of parliamentary scrutiny for National Policy Statements is welcome and we believe select committees are the proper forum for such scrutiny;**
- **The Government should work closely with the committees most affected to ensure that any new arrangements allow existing committees adequate time to carry out effective scrutiny without adversely affecting the rest of their programme of work, and**
- **Decisions on the statements should be made by the House, informed by the committees’ analyses, and the Planning Bill should be amended to ensure that ministers may not designate statements without the approval of the House.**

**We look forward to a continuing dialogue between committee chairmen and the Leader of the House on how these aims can best be achieved.**

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139 Planning Bill [Bill 71 (2007–08)]

140 Written Ministerial Statement, 27 November 2007, col 14WS

## 5 Activity and resources

### Select committee activities

110. In this section we give an overview of some of the activity indicators for select committees for which data are collected, such as the number of formal meetings and reports published. These give a broad overview of how active committees have been, but it is important to note that many activities undertaken by committees, such as informal meetings and seminars, are not captured by the statistics currently maintained. Such additional activities can be of great value and in many cases require considerable investment of resources, not least in terms of staff resources and Members' time.

111. In the 2006–07 Session, there were 1,096 select committee meetings, of which 632 (58%) were public. Over the past decade, departmental select committees have held most meetings, while the domestic and administrative committees have had the smallest and a declining share of meetings. Details for each session since 1997–98 are set out in Table 19 below.

**Table 19: Select committee meetings by session, 1997–98 to 2006–07**

	Departmental select committees		Other scrutiny committees <sup>2</sup>		Domestic/admin committees		All committees	
	All meetings	<i>of which public</i> <sup>1</sup>	All meetings	<i>of which public</i> <sup>1</sup>	All meetings	<i>of which public</i> <sup>1</sup>	All meetings	<i>of which public</i> <sup>1</sup>
<b>Number</b>								
1997–98	959	617	240	81	279	24	1,478	722
1998–99	756	478	230	117	168	14	1,154	609
1999–00	803	535	191	65	166	16	1,160	616
2000–01	339	197	117	51	81	5	537	253
2001–02	801	496	292	118	219	15	1,312	629
2002–03	798	567	295	132	152	13	1,245	712
2003–04	758	561	358	178	146	20	1,262	759
2004–05	359	240	153	82	65	5	577	327
2005–06	968	590	368	175	164	17	1,500	782
2006–07	700	462	285	158	111	12	1,096	632
<b>Rate per sitting week<sup>3</sup></b>								
1997–98R	22.3	14.3	5.6	1.9	6.5	0.6	34.4	16.8
1998–99	21.6	13.7	6.6	3.3	4.8	0.4	33.0	17.4
1999–00	20.1	13.4	4.8	1.6	4.2	0.4	29.0	15.4
2000–01	17.8	10.4	6.2	2.7	4.3	0.3	28.3	13.3
2001–02R	20.0	12.4	7.3	3.0	5.5	0.4	32.8	15.7
2002–03	21.0	14.9	7.8	3.5	4.0	0.3	32.8	18.7
2003–04	20.5	15.2	9.7	4.8	3.9	0.5	34.1	20.5
2004–05	25.6	17.1	10.9	5.9	4.6	0.4	41.2	23.4
2005–06R	22.0	13.4	8.4	4.0	3.7	0.4	34.1	17.8
2006–07	20.0	13.2	8.1	4.5	3.2	0.3	31.3	18.1

Notes: <sup>1</sup> Meetings at which oral evidence was taken wholly in public.

<sup>2</sup> Includes Joint Committees and the Environmental Audit, European Scrutiny, Public Accounts, Public Administration, Regulatory Reform, and Statutory Instruments Committees.

<sup>3</sup> Weeks where the House of Commons sat for at least two days, excluding emergency recalls.

R - number of weeks revised to take account of time taken to nominate select committees.

Source: *Sessional Returns: Session 1997–98 to 2006–07*

112. 345 substantive committee reports were published in the 2006–07 Session, representing almost 10 reports per sitting week, a slight increase on the weekly average in the previous session, as set out in Table 20 and Figure 1 below. The departmental select committees that produced the greatest number of reports in the 2006–07 Session were: Defence (15 reports); Treasury (14); Science and Technology and Trade and Industry (13 each); and Education and Skills and International Development (11 each). Those which held most formal meetings were: Treasury (55); Education and Skills (53 meetings); Defence and Environment, Food and Rural Affairs (45); Communities and Local Government and Science and Technology (42 each).<sup>141</sup> The Committee of Public Accounts—the scope of whose inquiries is limited to a particular area of expenditure—published 66 reports and held 53 formal meetings. These figures do not, of course, include the informal meetings held by most committees, which can form a significant part of their work. For instance, the Foreign Affairs Committee held 63 informal meetings at Westminster in 2007, in addition to its formal meetings.<sup>142</sup>

**Table 20: Substantive committee reports published by session, 1997–98 to 2006–07**

	Departmental select committees	Other scrutiny committees <sup>2</sup>	Domestic/admin committees	All committees
<b>Number</b>				
1997–98	112	177	32	321
1998–99	134	118	26	278
1999–00	134	123	32	289
2000–01	122	57	16	195
2001–02	119	201	19	339
2002–03	161	173	16	350
2003–04	152	199	14	365
2004–05	129	103	10	242
2005–06	129	211	25	365
2006–07	145	186	14	345
<b>Rate per sitting week<sup>1</sup></b>				
1997–98R	2.6	4.1	0.7	7.5
1998–99	3.8	3.4	0.7	7.9
1999–00	3.4	3.1	0.8	7.2
2000–01	6.4	3.0	0.8	10.3
2001–02R	3.0	5.0	0.5	8.5
2002–03	4.2	4.6	0.4	9.2
2003–04	4.1	5.4	0.4	9.9
2004–05	9.2	7.4	0.7	17.3
2005–06R	2.9	4.8	0.6	8.3
2006–07	4.1	5.3	0.4	9.9

Notes: <sup>1</sup> Weeks where the House of Commons sat for at least two days, excluding emergency recalls.

<sup>2</sup> Includes Joint Committees and the Environmental Audit, European Scrutiny, Public Accounts, Public Administration, Regulatory Reform, and Statutory Instruments Committees

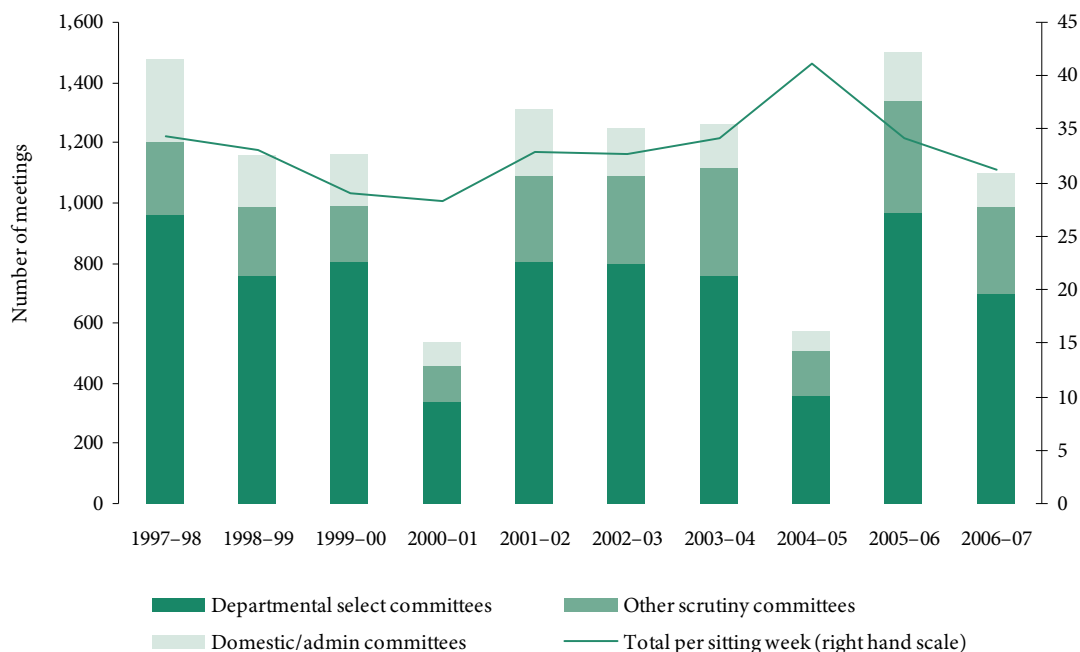
R - number of weeks revised to take account of time taken to nominate select committees.

Source: *Sessional Returns: Sessions 1997–98 to 2006–07*

<sup>141</sup> These figures include meetings of sub-committees appointed by the committees concerned.

<sup>142</sup> Foreign Affairs Committee, *The Work of the Committee in 2007*, para 2

Figure 1: Number of committee meetings by type, 1997–98 to 2006–07



## Costs of select committees

113. Table 21 below gives details of the costs of committee work, broken down by broad expenditure category. It should be noted that the figures for staff costs relate to financial years, while other costs relate to sessions, which vary in length, thus making direct comparison difficult. The total number of staff supporting select committees in Session 2006–07 was 227.6, of whom 190.1 were in the Committee Office. Not surprisingly, staff costs represented the highest proportion of total select committee costs (about two-thirds in 2006–07). Although total costs for select committees have increased since 1999–2000, some costs within the total have fallen: printing and publication costs have decreased not only absolutely, but also relative to the number of reports published. (The printing costs per report decreased from £8,148 per report in 1997–98 to £5,286 in 2006–07.)

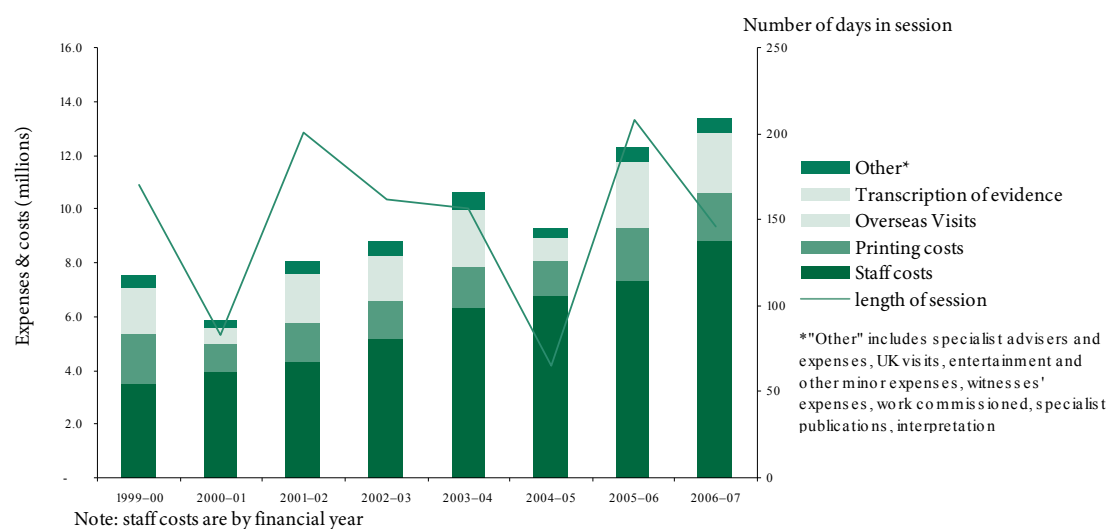
**Table 21: Approximate select committee costs, 1997–98 to 2006–07**

£000s

	Staff costs <sup>1</sup>	Select committee expenses <sup>2</sup>	Printing and publication costs	Total costs	Change in costs	Length of session (weeks)
1997–98	..	2,069	2,616	..		43
1998–99	..	1,778	2,079	..		35
1999–00	3,500	2,099	1,905	7,504		40
2000–01	4,000	846	980	5,826	-1,678	19
2001–02	4,300	2,279	1,479	8,058	2,232	40
2002–03	5,200	2,187	1,410	8,797	739	38
2003–04	6,300	2,757	1,532	10,589	1,792	37
2004–05	6,800	1,190	1,298	9,289	-1,300	14
2005–06	7,300	3,032	1,990	12,322	3,033	44
2006–07	8,800	2,723	1,840	13,362	1,040	35

Note: <sup>1</sup> Financial year.<sup>2</sup> Includes visits, specialist advisers' fees, work commissioned, transcription of evidence, witnesses' expenses and entertainment and other minor expenses.Source: *Sessional Returns: Sessions 1997–98 to 2006–07*

114. Figure 2 below shows the breakdown of committee costs, including staff, along with session length.

**Figure 2: Session length and committee costs by type, 1999–00 to 2006–07**

## Resources for select committees

115. In our Report last year, we noted the announcement of a review of select committee resources, to follow up the 2002 review initiated by the House of Commons Commission. The review was led by a Director at the NAO, and reported in November 2007. The key conclusions of the review were:

- the changes introduced by the 2002 review were , broadly, a success;
- since the 2002 review, workload and staff numbers have increased; current resources are roughly appropriate for the needs of committees but could be deployed more effectively, and
- career development opportunities for staff, especially administrative staff, fail to make the best use of their potential.

In response to the review, Committee Office management is taking forward several pieces of work:

- the development of a new staffing model for researchers and policy analysts which will provide the best and most flexible resources for committees and for individual Members;
- an analysis of current areas of specialism of research staff across the Committee Office and the Library;
- establishment of clear development opportunities and training routes for administrative staff of committees, and
- a fundamental analysis of the current staffing needs of each committee.

116. We welcome the fact that the resource needs of select committees continue to be kept under review, and look forward to the outcome of the work now being carried out by Committee Office management. In this context, we note that improved scrutiny by the House of the Government's financial reporting is likely to require both increased specialist advice and a change in the nature of the advice required.<sup>143</sup>

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143 See para 45.

## Conclusions and recommendations

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1. Once again, we are disappointed at the comparatively small number of draft bills published by the Government. But numbers are not the most important aspect of the process. What matters is the quality of pre-legislative scrutiny that takes place and a crucial factor in accomplishing first-rate scrutiny is sufficient time for committees to do their work. For this reason, we are especially concerned that the Government does not appear to have taken into account the need for committees to have adequate time to plan and carry out effective pre-legislative scrutiny of draft bills. We welcome the Government's intention to increase the number of draft bills it publishes in 2008, but stress that sufficiently early publication of such draft bills is a necessary condition for proper scrutiny. The Government should liaise at an early stage with committees to ensure they can set aside time in their already busy work programmes to carry out their pre-legislative scrutiny function. (Paragraph 24)
2. While we recognise that some draft bills will be particularly suited to scrutiny by joint committees, it is for the House, not the Executive, to assess the most effective form of scrutiny, and we object strongly to the fact that the Government has sought to pre-empt the House's consideration of how to scrutinise draft bills by bringing forward motions for the appointment of joint committees without proper consultation. We reiterate the comment of our predecessor committee in 2005: there should be a presumption in favour of draft bills going to departmental select committees for pre-legislative scrutiny, where they are ready and willing to undertake this. (Paragraph 25)
3. We welcome the publication of the Government's draft legislative programme, which has the potential to further enhance committees' engagement with the legislative process. In order for this potential to be realised, the draft programme will have to be published early enough for committees to be able to examine those proposals that fall within their remit and report on them in time for their views to be taken into account by the Government in finalising its legislative programme. We therefore welcome the Government's intention of publishing the draft programme for 2008–09 around Easter 2008. (Paragraph 32)
4. We welcome the continuing improvement in the quality of information provided in Estimates Memoranda, and the fact that pressure from committees is ensuring that the quality of departments' Estimates Memoranda is being further improved. (Paragraph 40)
5. Committees continued their effective scrutiny of government expenditure over the last year. Such scrutiny of expenditure is not limited to an annual examination of departmental reports, important though this is. Committees have shown that an awareness of expenditure issues informs a much wider range of their work. We are pleased that most departmental committees have taken oral evidence on departmental reports, but emphasise that committees using this evidence to form the basis of a report to the House can further improve the quality of departments' financial reporting. (Paragraph 42)

6. The new combined departmental reports and resource accounts are an opportunity to produce more helpful documents, although we note the potential disadvantage that they will be published later than the current DARs. The balance between the greater usefulness of the combined document and its later publication is one that can best be judged by the individual committees concerned, on a case by case basis. (Paragraph 44)
7. We look forward to examining the Government's proposals for more systematic post-legislative scrutiny, and discussing their implementation with ministers. At this stage, we welcome the Government's recognition that post-legislative scrutiny is, in the first instance, a matter for Commons select committees. (Paragraph 64)
8. We have been concerned by the length of time it has taken in some instances to appoint and replace members of select committees. We urge the Leader of the House, the Committee of Selection and the Government and Opposition Whips to liaise more closely, and work together in order to speed up the nomination process. We also urge the Whips of all parties to ensure members are appointed to and discharged from committees only after proper consultation with all those affected. While we recognise the natural desire of the Whips to ensure attendance of Members for important votes, we hope to work with them to achieve greater certainty for the forward planning of committee business. (Paragraph 74)
9. We are grateful to members of the judiciary for their willingness to give evidence to committees and otherwise to participate in their inquiries, and we look forward to continuing our relationship with the Law Commission, including on the development of post-legislative scrutiny. (Paragraph 79)
10. We deplore the fact that departments have in some cases taken an inordinate amount of time to submit written evidence and responses to committees. Departments should engage in a positive and timely manner with select committee inquiries. This includes making information available to committees unless there are compelling reasons to withhold it. In this context, we welcome the Home Office's positive approach to working with the Home Affairs Committee, and the FCO's commitment to consider ways in which information in classified documents could be made available to the Foreign Affairs Committee. We encourage all departments to look upon parliamentary scrutiny as an important process rather than a necessary evil, as sometimes seems to be the case. We also commend the practice of committees in following up inadequate government responses, as this is the most effective way of ensuring better practice in the future. (Paragraph 85)
11. Online forums can be a means of accessing information from people who would be hard to reach through the routes traditionally used by committees, and have the potential to encourage the public to engage more fully with Parliament. We encourage more committees to consider this approach to information gathering, where there are likely to be communities of interest who would not otherwise participate in committee inquiries. However, online forums can be resource-intensive to set up and run, and so care should be taken that they are employed only when they can add specific value to an inquiry. Committees can make particularly effective use of the information they obtain through this method by publishing a

summary of the views expressed and referring to online comments in their reports. In this way, contributors to online forums can be reassured that their views are being heard. (Paragraph 91)

12. Once again, we express our appreciation of the specialist assistance the National Audit Office provides to select committees. We believe such assistance is most valuable when it responds to specific committee needs, and we encourage committees to consider ways in which the NAO can help them. (Paragraph 94)
13. We note the important added value which the Scrutiny Unit has continued to bring to the work of committees. (Paragraph 95)
14. We await the outcome of the Modernisation Committee's inquiry into regional accountability, and more detailed proposals from the Government. At this stage, we reiterate the concerns put to the Modernisation Committee by our Chairman and other Members, that establishing a group of select committees on the regions, operating in the same way as the existing departmental select committees, could lead to wasteful duplication of effort, confusion over the roles of the different committees and conflicting demands for resources and access to relevant witnesses. We welcome the prospect of enhanced regional accountability, but it must not be at the expense of replicating—or weakening—the existing scrutiny system. (Paragraph 107)
15.
  - The principle of parliamentary scrutiny for National Policy Statements is welcome and we believe select committees are the proper forum for such scrutiny;
  - The Government should work closely with the committees most affected to ensure that any new arrangements allow existing committees adequate time to carry out effective scrutiny without adversely affecting the rest of their programme of work, and
  - Decisions on the statements should be made by the House, informed by the committees' analyses, and the Planning Bill should be amended to ensure that ministers may not designate statements without the approval of the House.

We look forward to a continuing dialogue between committee chairmen and the Leader of the House on how these aims can best be achieved. (Paragraph 109)

## Annex 1: List of Annual Reports of Select Committees for 2007

<b>Committee</b>	<b>Report reference</b>
Business, Enterprise and Regulatory Reform	First Report, HC 233, <i>The work of the Committee in 2007</i>
Communities and Local Government	Fourth Report, HC 211: <i>Work of the Committee in 2007</i>
Culture, Media and Sport	Third Report, HC 234: <i>Work of the Committee in 2007</i>
Defence	Sixth Report, HC 274: <i>The work of the Committee in 2007</i>
Environmental Audit	Letter from the Chairman (Appendix 1)
Environment, Food and Rural Affairs	Third Report, HC 250: <i>The Work of the Committee in 2007</i>
European Scrutiny	Twelfth Report, HC 315: <i>The Work of the Committee in 2007</i>
Foreign Affairs	Fourth Report, HC 287: <i>The Work of the Committee in 2007</i>
Health	Second Report, HC 337: <i>Work of the Committee 2007</i>
Home Affairs	Fourth Report, HC 226: <i>Work of the Committee in 2007</i>
Human Rights (Joint Committee)	Sixth Report, HL 38/HC 270, <i>The Work of the Committee in 2007 and the State of Human Rights in the UK</i>
International Development	Third Report, HC 255: <i>Work of the Committee in 2007</i>
Justice	Second Report, HC 358: <i>Work of the Committee in 2007</i>
Northern Ireland Affairs	Second Report, HC 286: <i>The Work of the Committee in 2007</i>
Public Accounts	Letter from the Chairman (Appendix 2)
Public Administration	Fourth Report, HC 236: <i>Work of the Committee in 2007</i>
Science and Technology	Thirteenth Report of Session 2006–07, HC 1108, <i>The Last Report</i>
Scottish Affairs	Third Report, HC 278: <i>Work of the Committee in 2007</i>
Transport	Third Report, HC 248: <i>Work of the Committee in 2007</i>
Treasury	Third Report, HC 230: <i>Work of the Committee in 2007</i>
Welsh Affairs	Third Report, HC 325: <i>Work of the Committee in 2007</i>
Work and Pensions	First Report, HC 317: <i>Work of the Committee in 2007</i>

*All HC numbers are of Session 2007–08, except where specified.*

# Formal Minutes

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**Thursday 27 March 2008**

Members present:

Mr Alan Williams, in the Chair

Mr Alan Beith	Peter Luff
Michael Connarty	John McFall
Sir Patrick Cormack	Mr Barry Sheerman
Mr Andrew Dismore	Dr Phyllis Starkey
Mrs Gwyneth Dunwoody	Keith Vaz
Mike Gapes	Mr Phil Willis
Mr Michael Jack	Sir George Young
Mr Edward Leigh	

Draft Report (The work of committees in 2007), proposed by the Chairman, brought up and read.

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

Paragraph 1 to 116 read and agreed to.

Annex agreed to.

Several papers were appended to the Report as Appendices 1 to 4.

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

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

*Ordered*, That embargoed copies of the Report be made available, in accordance with provisions of Standing Order No. 134.

[Adjourned till Thursday 8 May at 9.30 am.]

# Appendix 1: Letter from the Chairman of the Environmental Audit Committee

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## THE WORK OF THE ENVIRONMENTAL AUDIT COMMITTEE IN 2007

1. In lieu of my Committee agreeing an Annual Report, I am writing to you, as in previous years, to set out the key components of the Environmental Audit Committee's work programme during 2007. Our terms of reference are to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development and to audits their performance against such targets as may be set for them by Ministers. We are not a departmental select committee and therefore do not address the core tasks.

### Overview of work

2. Over the course of the year the Committee and Sub-Committee took evidence from Ministers on a total of four occasions, and on one occasion from a Member of the House, Elliot Morley MP. Oral evidence was taken from officials from four different Government departments on seven separate occasions. Although much Committee activity has an inevitable focus on Defra, other departments involved in the EAC work programme have included HM Treasury, the Foreign and Commonwealth Office and the Department for Business, Enterprise and Regulatory Reform.

3. At the start of this Parliament the Committee decided that the threat presented by climate change should be its main priority. Over the past year we have conducted a number of inquiries linked to this theme. We have also continued to conduct inquiries into other areas reflecting our cross-departmental remit, notably environmental diplomacy and the role of regulatory impact assessments. The nature of our work, and in particular the choice of climate change as a theme for this Parliament, means that we often return to issues or identify issues in one inquiry that then form the basis for further inquiries. This allows us to track progress and follow-up on our recommendations effectively.

### Climate change

4. The Committee played a key role in scrutinising the draft Climate Change Bill. In *Beyond Stern: From the Climate Change Programme Review to the Draft Climate Change Bill* the Committee made specific recommendations for strengthening the Bill. At the same time we looked in detail, following reports carried out for the Committee by the National Audit Office, at the Government's entire systems for monitoring carbon emissions and the effectiveness of carbon reduction policies. Several Members of my Committee also served on the Joint Committee on the Draft Climate Change Bill and EAC staff supported its work.

5. Emissions trading was one of the Committee's biggest concerns in 2007. We issued a major Report, *The EU Emissions Trading Scheme: Lessons for the future*, in March. The report assessed the effectiveness of the first phase of the scheme, and made recommendations for making future phases more robust and effective. The Committee

then followed this up with a second report in October, containing the government response to the first plus an important commentary on it, recommending improvements in the transparency with which the Government reports the effects of emissions trading. This was in turn followed by a debate on the initial EAC report in Westminster Hall.<sup>1</sup>

6. In March the EAC also published its annual Report on the Treasury's 2006 Pre-Budget Report. This year the Committee focused on the *Stern Review on the Economics of Climate Change*, published the previous October.<sup>2</sup> We opened our inquiry with an evidence session with Sir Nick Stern, his first appearance before a select committee since his review was published. Our Report highlighted the urgency of the messages in his report, as well as the gap that often exists between those recommendations and implementation. The Committee has since taken evidence on the 2007 Pre-Budget Report and will produce a Report before the Budget in 2008.

7. The Committee looked at the Voluntary Carbon Offset Market. We recognised that elements of the carbon offsetting market were less than robust and that this had the potential to devalue the entire concept. The attitude of the airlines was singled out for particular criticism. We found that carbon offsets have a role to play in cutting carbon emissions and raising awareness of climate change. However, encouraging offsets must not inhibit increased efforts to cut emissions and research is needed to find out if buying offsets makes people more or less determined to cut their own carbon footprint. We recommended that government should compel the most carbon-intensive businesses to offer offset services and individuals should be given a compulsory-choice option for offsetting when procuring carbon intensive goods and services. We insisted on the need for greater transparency in the offset market.

8. There are a number of inquiries that we started in 2007 but are yet to bring to a conclusion. In summer 2007 the Committee undertook an inquiry into Personal Carbon Allowances. This inquiry was a rare opportunity to look beyond existing policy and examine the merits of a radical and still developing policy idea. We also finished taking evidence on an inquiry looking at how the Government is encouraging businesses to reduce their emissions and the role that the Climate Change Levy and the associated Climate Change Agreements play. We will produce Reports on both of these topics early in 2008.

9. The Committee also kept up its tradition of regular one-off evidence sessions with the Secretary of State for Environment, Food and Rural Affairs, and the Chief Scientific Adviser, in both cases concentrating largely on climate change and energy policy.

### **Environmental impact of trade and development**

10. In 2006 the EAC created a Sub-Committee to conduct a cross-government series of inquiries assessing the environmental impacts of trade and development. The Sub-Committee concluded its work in 2007 with two inquiries into the UN Millennium Ecosystem Assessment and the FCO.

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1 HC Deb, 25 October 2007, col 164WH

2 HM Treasury, *Stern Review on the Economics of Climate Change*, October 2006

11. The UN Millennium Ecosystem Assessment (MA) was a unique study that showed how human activity is leading to species extinction on a massive scale, climate change and worsening poverty, and investigated how these challenges might be met. We found that despite some progress the Government had more to do to ensure that the MA findings were mainstreamed in Government policy. We found that the impact of the MA had been mixed; many governments around the world had been slow to grasp its importance. We recommended that the Government do more in the UK to ensure that current measures of growth properly valued the environment and that economic indicators take human well-being into account.

12. In the last of its inquiries the Sub-Committee looked at *Trade, Development and Environment: The Role of the FCO*. Given increasing knowledge of the risks associated with climate change and environmental degradation, we found that the FCO has a more important role than ever to play in building international support for, and helping to deliver, UK international environmental objectives. In particular, the FCO has a pivotal role where diplomacy is critical to achieving success, such as in international negotiations on biodiversity and climate change. We acknowledged that the FCO is doing some good work on a number of international environmental issues. The appointment of a Special Representative on Climate Change and the Foreign Secretary's robust argument for the consideration of climate change at the UN Security Council is evidence of the diplomatic effort that the FCO is putting behind this issue.

13. Nevertheless, we expressed major concerns that the FCO was neglecting a number of key international challenges including biodiversity loss and environmental degradation. We felt that the structure of the FCO was not up to the task of dealing with the challenges posed by international environmental degradation.

### Structure of Government

14. Committee staff have developed a good working relationship with the media office in order to maximise coverage of Committee reports. Extensive coverage of our Report on the *Structure of Government and the challenge of climate change* may have resulted in part from this improved cooperation. In that report our main conclusion was that a powerful new body should be created within the Cabinet Office, headed by a senior Minister, to drive forward the Government's climate change policy and to diminish inter-departmental conflict. We welcomed the draft Climate Change Bill and the creation of the Office of Climate Change but felt that the current institutional and policy frameworks for dealing with climate change were confused and did not promote effective action on reducing emissions. We concluded that a review of government action in the area of climate change was needed to provide clarity of responsibility for developing and delivering climate policies. We also recommended that long-term mitigation and adaptation policy frameworks must be developed to ensure that policy decisions taken today do not lock in long-term emissions, and to prepare the UK for climate change impacts. We argued that the UK must be equipped to meet both the challenge of a carbon constrained world and the likely climate change impacts that will occur. For example, it would be disastrous if bad planning policy meant that today's new developments become tomorrow's climate slums.

15. We also investigated whether the civil service has the skills it needs to climate-proof the UK. We found that there are skills shortages in the civil service and that failure to address these will undermine attempts to move the UK to a low carbon economy.

### Regulatory Impact Assessments and Policy Appraisal

16. In November 2006 the Committee carried out an inquiry into *Regulatory Impact Assessments and Policy Appraisal*. The inquiry investigated the extent to which sustainable development and environmental concerns were taken into account in RIAs, a key component in policy development and decision making. Having established that RIAs were generally lacking in this area, the report concluded that this shortcoming derived from a lack of awareness and specialist training among officials compiling RIAs; a focus on monetising costs and benefits which made it difficult to convey the extent and importance of environmental impacts; and a restrictive template and layout for the summary page which further marginalised environmental impacts. The Committee urged all departments to consider the environmental impacts of their policies in more depth, and for the RIA guidance and structures to be altered to allow environmental concerns to be communicated more fully.

17. The inquiry into RIAs was a good example of the Committee's commitment to investigating the extent to which the policies and programmes of *all* government departments contribute to environmental protection and sustainable development. RIAs were used to inform policy decisions across Government, and therefore had the potential to operate as a crucial mechanism in ensuring greater appreciation of the environmental impacts of policies across all departments. The Committee's inquiry ran parallel to the Better Regulation Executive's consultation on overhauling impact assessments. We regret that the outcome of that consultation was in many respects a backward step, meaning that RIAs remain a tool that minimises environmental concerns, rather than giving them due importance.

### Biofuels

18. We completed an inquiry into the question of whether biofuels are sustainable; our Report was published early in 2008.

### Adequacy of Government responses

19. Most of the responses to our reports have been delivered on time and are of a satisfactory quality. While the responsibility for replying to our reports is largely borne by Defra, we have also received timely responses from other departments, including the Treasury and FCO. In most cases we have been able to publish the responses without comment. However, as I described above, we felt it important on the EU ETS to provide a commentary on the Government's response. For our Report on the draft Climate Change Bill we felt the government response was inadequate in a number of areas. However, the Committee felt that the best way to deal with this was to seek to table amendments to the Bill on report that would allow the issues to be debated on the floor of the House.

## Visits

20. In December 2006, the Committee travelled to Brussels for a productive session of meetings with officials from the European Commission, as well as representatives of pan-European environmental NGOs. These meetings concentrated on emissions trading (in particular the development of policies aimed at bringing aviation into the EU ETS), transport policy, and water and pollution legislation.

21. The Committee has continued to monitor international meetings on climate change. In February 2007 three members of the Committee attended a meeting of the Legislators' Forum of the Gleneagles Dialogue in Washington. In December one member of the Committee spent a week at the United Nations Framework Convention on Climate Change Conference of Parties and Meeting of Parties meetings in Bali.

## Relationship with the NAO

22. The relationship with the National Audit Office (NAO) is a key relationship for the Committee and one that we value. Last year the Committee continued to build on its work with the NAO. Several of the Committee's inquiries in 2007 were influenced by a paper the Committee commissioned from the NAO on options for scrutiny of policy on climate change. The NAO continues to support the work of the Committee and has delivered several useful briefs to inform inquiries and provide information on particular policy instruments.

23. The inquiry into Regulatory Impact Assessments and Policy Appraisal, in particular, demonstrated the benefits of the Committee's close working relationship with the NAO. The NAO produces an annual assessment of RIAs, and at the Committee's request the Environmental Audit and Sustainable Development team at the NAO undertook a further, more focused study into the consideration of sustainable development issues in RIAs. The NAO were able to use their resources and unique access to Government to provide a thorough and insightful assessment of this aspect of impact assessments. This briefing document proved invaluable in informing the Committee and further, informal collaboration with the NAO supported and informed the inquiry throughout its course.

## Membership

24. Getting sufficient committee members to attend a meeting is increasingly difficult; our overall attendance has fallen from 58.2% in Session 2005–06 to 44.5% in the last Session. We have a core of very assiduous and hardworking Committee members but Members are busy and clashes with other business are increasingly common. We have a number of specific problems with membership that affect attendance:

- Shahid Malik MP became a DFID Minister in the June 2007 reshuffle, and has not yet been replaced; and
- by convention the Minister for the Environment is a member of the Committee but Ian Pearson MP was moved to a different portfolio in June 2007 and not replaced on the Committee until January 2008; this was simply a matter of replacing Ian Pearson with his successor and we cannot see why it took so long for this change to happen.

25. My Committee supports the Liaison Committee's position on the size of committees. Our active membership is much lower than the sixteen members laid down in SO No. 152A. If our Committee had twelve or fewer members we would not have the same difficulties we face now with ensuring we have a quorum and the size of the Committee would more accurately reflect its active membership.

26. The Committee fulfils a unique and valuable role looking across government, throwing a spotlight on how environmental and sustainable development issues are addressed in a wide range of different policies and examining what progress the government is making towards the targets it has set in these areas. We could still fulfil that role with a smaller membership.

Mr Tim Yeo MP  
*25 February 2008*

## Appendix 2: Letter from the Chairman of the Committee of Public Accounts

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### Work of the Committee of Public Accounts in 2007

Because of the nature of its work, the Committee of Public Accounts does not agree an Annual Report on the lines of those agreed by Departmental Select Committees. Members of the Committee—together with other Members of the House—have instead been able to consider the work of the Committee in biennial debates in the Chamber, the last of which took place on 23 October 2007. Nonetheless I see value in a more formal contribution to the Liaison Committee's Annual Report and am therefore writing to you to outline some main themes of the work of the Committee of Public Accounts in 2007.

The Government's Comprehensive Spending Review was published in October. If its aims are translated into action, departments will need to improve their performance to ensure that more limited increases in Government spending translate into better public services for all. Initiatives to cut waste, slash red tape and make better use of existing resources are essential.

The Government reported that it was on track to realise its efficiency target of £21.5 billion a year savings by this March. The Efficiency Programme is the centrepiece of the Government's efforts to get more for less. The Treasury has claimed at the beginning of the year that it had already achieved an annual £13.3 billion of efficiency savings. However our second review of the Efficiency Programme cast doubt over the reliability of £10 billion of the savings then claimed.<sup>1</sup>

It should be crystal clear whether or not any programme has met its goal. Efficiency gains must be real and demonstrable. They must be deliverable year after year. Remarkably, claims could be calculated without taking into account associated increases in costs elsewhere. And efficiency is not genuine if, as we have found in a number of cases, it is achieved at the expense of the quality of the service provided. There is an important role here for the PAC. It was therefore encouraging that the Government announced in the CSR that there may be a role for the National Audit Office in reviewing claimed savings on a department by department basis.

The scale of savings required is significant: the scale of projects that the Committee considered last year is, to put it mildly, substantial. For example, the budget for the Olympics is £9 billion,<sup>2</sup> while IT in the health service is estimated to cost £12.5 billion.<sup>3</sup> Other projects on which the Committee is likely to report in the future, such as Trident and Crossrail, are on a similar scale.

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1 Committee of Public Accounts, Forty-eighth Report of Session 2006–07, *The Efficiency Programme: A Second Review of Progress*, HC 349

2 Committee of Public Accounts, Thirty-ninth Report of Session 2006–07, *Preparation for the London Olympic and Paralympic Games—risk assessment and management*, HC 377

3 Committee of Public Accounts, Twentieth Report of Session 2006–07, *Department of Health: The National programme for IT in the NHS*, HC 390

The PAC published 65 reports last year, far more than any other Select Committee. I clearly cannot give you details of all of them, but there a number of themes that arise from them. These are not confined to the Committee's work in 2007—they continue throughout the Committee's work over the years.

### **Good Project Management**

The Committee has seen too many projects that have been burdened by weak management and implementation. With some 100 mission critical or high risk IT-enabled programmes and projects, the risks are high. Given the history of past failures, government needs structures and management processes that will secure greater success.

A glaring example of what to avoid was the implementation of the Single Payment Scheme for farmers. This was inept, and my Committee said so in its report on the issue.<sup>4</sup> The timetable was near-impossible, the planning poor and testing of the IT systems incomplete. Responsibility was confused, management information scant and top managers failed to face up to the crisis. Farmers were hit emotionally and financially, and the taxpayer has had to face up to a potential liability approaching £500 million.

But the Government can get things right. The Committee's report on the introduction of the first generation of e-passports praised the Identity and Passport Service, which had showed that the public sector can successfully deliver to time, cost and quality.<sup>5</sup> We were encouraged that the Service had taken on board the recommendations made by our predecessors. Planning from the outset for a cautious, low risk project with substantial testing, and sufficient time for a progressive rollout rather than a big bang switch did the job here. They are lessons that could be learned elsewhere.

The Committee's report on "Delivering successful IT enabled business change" identified other essential ingredients that help projects avoid disaster.<sup>6</sup> Clear and resolute leadership is critical, as is strong budget management, and having the internal experience and expertise to get the best from contractors. Above all, there has to be a crystal clear sense of goal of the project, and an equally clear map of how to get there.

### **Clear and resolute leadership**

Clear and resolute leadership requires senior decision makers to ensure clear lines of accountability and strong progress and risk management arrangements. They must challenge if they are to ensure that plans are realistic.

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4 Committee of Public Accounts, Fifty-fifth Report of Session 2006–07, *The Delays in Administering the 2005 Single Payment Scheme in England*, HC 893

5 Committee of Public Accounts, Forty-ninth Report of Session 2006–07, *Introduction of e-Passports*, HC 362

6 Committee of Public Accounts, Twenty-seventh Report of Session 2006–07, *Delivering successful IT-enabled business change*, HC 113

The Single Farm Payments scheme and the travails of the unlamented Child Support Agency both provide examples of very complex and overly ambitious projects that suffered from a blurring of accountabilities.<sup>7</sup>

### **Gripping Budgets**

It sounds simple, but management must also keep a tight grip on budgets. The original Olympic bid seriously underestimated the costs of the Games and was far too optimistic about the extent of private sector funding. The Budget now stands at some £9 billion. But no one individual has overall responsibility for delivering the Games, and the range of bodies involved presents significant risks to timely decision-taking amongst other things. Strong progress monitoring and risk management arrangements are essential, but are not yet in place. The Committee, with the support of the NAO, will continue to keep a close eye on progress.

It is of course true that the public sector does face some unique challenges. Its projects are every bit as complex as and often larger than those in the private sector. Some progress is being made: PAC reports show it is possible for the public sector to bring tight management disciplines to big projects and the Committee offers due recognition in the cases that do. For example, the Department for Transport themselves admit that the programme to modernise the West Coast Main Line was originally “naively based”. That naivety had enormous financial consequences, but the Strategic Rail Authority and Network Rail stepped in, strengthened project management and now passenger numbers are up, journey times are down and trains are more likely to run on time.<sup>8</sup> But more recent failures in the service provided show that public sector bodies should not rest on their laurels.

### **Getting the best from contractors**

Only if departments can act as intelligent clients can they be sure of getting the best value for money from external suppliers. Of course, departments need to understand the process being changed and have clear design requirements. But having the right staff and skills in place to engage effectively with suppliers can be the difference between success and failure. The Child Support Agency did not have the in-house technical expertise it needed to challenge its supplier.<sup>9</sup> The Government must keep an iron grip on the new Child Maintenance and Enforcement Commission.

### **Understanding & Communicating the benefits of programmes**

Active management and the right mix of staff will go a long way in helping departments achieve the third success factor: having absolute clarity about the benefits they are trying to achieve.

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7 Committee of Public Accounts, *The delays in administering the 2005 Single Payment Scheme in England*, and Committee of Public Accounts, Thirty-seventh Report of Session 2006-07, *Child Support Agency: Implementation of the Child Support Reforms*, HC 812

8 Committee of Public Accounts, Thirtieth Report of Session 2006-07, *The Modernisation of the West Coast Main Line*, HC 189

9 Committee of Public Accounts, *Child Support Agency: Implementation of the Child Support Reforms*

Not only do departments need to have clarity themselves, but they need to sell the benefits to users, win wider support for the change, and ultimately assess whether the programme or project has achieved what it set out to do. Most palpably, one of the main question marks hanging over the NHS IT programme is that there is still much to do to win hearts and minds in the NHS, where scepticism is rife. This is a subject to which the Committee will return. By contrast, on the West Coast Mainline the SRA successfully engaged stakeholders in support of the programme to clear effect.

### **Better procurement**

It cannot be said too many times that government needs a more commercial approach to procurement. Central civil government organisations spend approximately £20 billion on goods and services annually. About one third, nearly £8 billion, of the Government's efficiency savings are expected to come from more efficient procurement. The scope is certainly there: in just four Committee reports, we identified potential savings of some £1.3 billion per year.

We found that potentially £500 million a year could be saved in departments' use of Consultants by making more use of in-house staff, negotiating better contracting terms, and getting improved results for the money they spend.<sup>10</sup> We are pleased that the Cabinet Secretary is taking action.

Another £500 million a year could be realised if OGCbuying.solutions were to improve their performance and increase coordination.<sup>11</sup> We were pleased to see that the OGC agreed and were set a target to achieve £1 billion a year in savings by 2010–11.

Often, the best of practice, if transferred elsewhere, can make a real difference. There are potential savings of over £220 million from the £2 billion spent on food in four key areas of public services.<sup>12</sup> Similarly more than £75 million a year could be saved if Further Education colleges adopt really modern procurement practice.<sup>13</sup>

Wherever possible, procurement must be open and competitive. The backroom deal pursued by the Department of Health with Dr Foster Intelligence was a failure in government's duties to Parliament and the taxpayer.<sup>14</sup> The sums involved were relatively small but fundamental principles were at stake. The choice of company and the haste with which the deal was concluded gave the Committee real cause for concern.

We were also concerned by the Highways Agency's record of forecasting the costs of road schemes.<sup>15</sup> It speaks for itself that the 36 completed schemes in the Agency's Targeted

10 Committee of Public Accounts, *Central Government's use of consultants*

11 Committee of Public Accounts, Thirty-third Report of Session 2006–07, *Assessing the value for money of OGCbuying.solutions*, HC 275

12 Committee of Public Accounts, Thirteenth Report of Session 2006–07, *Smarter Food Procurement in the Public Sector*, HC 357

13 Committee of Public Accounts, Forty-first Report of Session 2006–07, *Improving procurement in further education colleges in England*, HC 477

14 Committee of Public Accounts, Fortieth Report of Session 2006–07, *Dr Foster Intelligence: A joint venture between the Information Centre and Dr Foster LLP*, HC 368

15 Committee of Public Accounts, Fifty-eighth Report of Session 2006–07, *Estimating and monitoring the costs of building roads in England*, HC 321

Programme of Improvement cost 40% more than original estimates. The Agency also depended far too much on external consultants and we emphasised that it had to recruit and retain its won staff with appropriate project management expertise and commercial skills.

And of course there is the Ministry of Defence. We remain concerned by the mismanagement of technical and commercial risks on the Astute submarine programme highlighted in the Major Projects Report,<sup>16</sup> and will be watching progress on the Trident replacement carefully.

### **Interests of the consumer**

We can only truly judge whether all the expenditure announced in the CSR is effectively used by assessing its impact on the end user, who is very often the taxpayer him or her self.

The government's theme of Transformational Government calls for public services to be designed around the needs of the consumer not the provider. Unfortunately this was not the case with the introduction of the new out of hours care system.<sup>17</sup> We found that the preparations for the switch, used by 9 million patients a year, left much to be desired: the needs of patients were not best served by the ending of Saturday morning surgeries; access to advice and treatment has been difficult and slow; and there was little clarity over whether the new service is meant for urgent cases only or for any requests for help. The new service is getting better, but it is costing around £70 million more than expected—the very last thing primary care trusts wanted.

On a more positive note, we returned in this period to the issue of tackling pensioner poverty by encouraging take-up of entitlements. We were pleased to note that the DWP are making good progress in encouraging pensioners to claim the Pension Credit to which they are entitled.<sup>18</sup> But there are still billions of pounds lying unclaimed in the Treasury, rather than being distributed to pensioners. Shared targets for the different agencies involved might help; allowing pensioners to claim linked benefits through a single transaction could help; focusing effort where we know take-up is poorer would also help.

### **The Committee's Recommendations**

A particular strength of the PAC is that more than 90% of its Recommendations are accepted by the Government departments concerned. There are a number of reasons for this. We do not cover policy issues; we work on the basis of reports from the NAO that have already been agreed with the Department; and most of our Recommendations are simply commonsense. Perhaps even more significant is that work by the NAO demonstrates that more than 90% of Recommendations accepted are indeed implemented by departments. Members of the Committee are rightly concerned when we come across

16 Committee of Public Accounts, Forty-sixth Report of Session 2006–07, *Ministry of Defence: Major Projects Report 2006*, HC 295

17 Committee of Public Accounts, Sixteenth Report of Session 2006–07, *The Provision of Out-of-hours Care in England*, HC 360

18 Committee of Public Accounts, Twenty-sixth Report of Session 2006–07, *Department for Work and Pensions: Progress in tackling pensioner poverty—encouraging take-up of entitlements*, HC 169

cases where departments have failed to put into practice improvements we have pointed out. We frequently revisit cases we have examined to see what progress is being made. Examples from last year which we shall follow up in 2008 are the NHS IT system and the Rural Payments Agency.

### ***The National Audit Office***

The National Audit Office remains at the heart of the Committee's work. We continue to have an excellent and highly productive relationship with the Comptroller and Auditor General and his staff, and we welcome the NAO's efforts to expand the range of its work for other Select Committees.

### ***The Committee's 150<sup>th</sup> anniversary***

On 6 December, the Committee held an international conference to mark the 150<sup>th</sup> anniversary of the report from Committee on Public Monies which led to the creation of the PAC.

The aim of the conference was to celebrate the longevity and achievements of the Committee and to provide an opportunity to discuss its role, and that of similar parliamentary bodies in other countries, in securing effective Parliamentary scrutiny of public funds. It also focused on shared and contrasting experiences of Parliamentary scrutiny and state audit. Invitations were sent out to representatives from the Westminster, Scottish, Welsh and Northern Irish legislatures and the UK audit bodies; Parliamentary and state audit representatives from countries which follow the 'Westminster model' of accountability and from countries which have developed different approaches; and other interested parties such as the Audit Commission and senior UK government officials. In the event there were some 80 delegates at the conference, from the UK and abroad.

The conference took the form of key-note speeches and panels. Speeches were given by the Chancellor of the Exchequer, the Shadow Chancellor and the Comptroller and Auditor General. HRH the Prince of Wales also made a video address. Panels covered the following issues:

- strengthening governance: the role of Parliament and state audit bodies in promoting good practice in governance and risk management;
- sustainability and accountability: the role of Parliament and state audit bodies in holding Government to account with regard to sustainability; and
- working together to achieve a greater impact: exploring ways in which Parliament and state audit bodies can maximise the potential for partnership in the future.

Panellists included the acting leader of the Liberal Democrats, the Head of the Government Finance Profession, HM Treasury, and heads of State Audit Institutions and PAC-equivalents from a number of EU and Commonwealth states.

After the formal end of the conference there was a short round table discussion about the way forward on the audit of National Statements on European Union funds, intended for delegates representing EU Parliamentary Committees and state audit bodies.

The conference was agreed to have been a success and there are discussions on how best to follow it up, both internationally and within the UK.

### ***International work***

The Committee's work inspires considerable interest abroad. During the year our evidence sessions were observed by visitors from parliaments and audit institutions in Croatia, the Czech Republic, Guyana, India, Mozambique, Namibia, Nigeria, Portugal, Spain, Tanzania, Turks and Caicos and Uganda, as well as by groups on study programmes organised by RIPA International and others. In addition Members and staff of the Committee have met other visitors, such as the Mexican and Jordanian PAC-equivalents. I visited Bosnia, as a guest of the IMF, to talk about the work of the PAC.

I believe that Finance and Value for Money Committees in Europe should work together and exchange ideas, perhaps in a regular biennial conference. I had a particularly useful visit to the European Parliament where I was well received when I argued for more Member State accountability by each Member State producing a consolidated account of all EU money spent in that State. I also visited Lisbon during the Portuguese Presidency of the EU for very productive discussions on this issue.

Mr Edward Leigh MP  
*22 January 2008*

## Appendix 3: The work of the Scrutiny Unit in 2007

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### Overview

1. The main aim of the Scrutiny Unit is to maintain and improve the ability of the House, through its select committees, to perform its scrutiny function. In particular:

- it supports select committees and others within the House, mainly but not exclusively in the areas of government expenditure, performance reporting and pre-legislative scrutiny;
- it provides staff for joint committees of both Houses on draft bills, and
- it supports the evidence-taking functions of Public Bill Committees.

In fulfilling its role, it seeks to develop expertise and best practice and improve the quality of its work by developing relationships with relevant organisations outside the House.

2. In 2007 the Unit maintained the high level of activity of the previous session. All the departmental select committees have made use of the Unit's services at some point during the session and Unit staff also carried out important tasks in support of the wider work of the House. Much of the work undertaken by the Unit concerned the scrutiny of expenditure and performance—a core activity is the regular analysis of the Government's financial reporting to Parliament. The Unit has also played an important role in assisting committees—especially joint committees—in their examination of draft Bills. However, once again Unit staff undertook a considerable volume of other tasks in support of committees. This was partly owing to the fact that work on draft bills was heavily concentrated into a few months of the session, allowing us to direct resources to other tasks at less busy times.

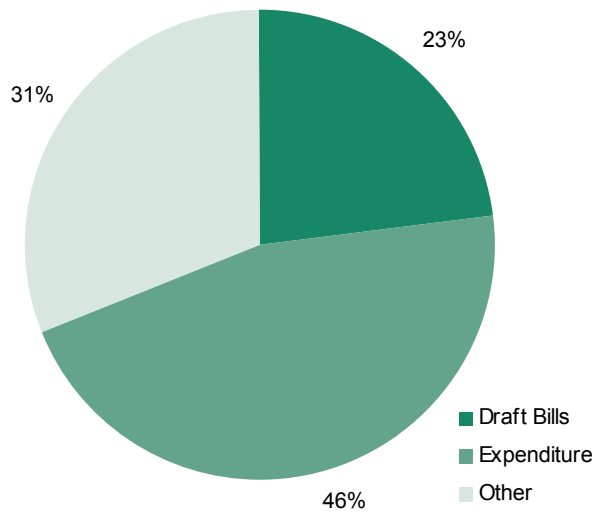
3. Several committees have commented on the value they place on assistance from the Unit. For instance, the Transport Committee received “a great deal of support from the Committee Office Scrutiny Unit, which provided us with significant help with our inquiries” and the Justice Committee referred to the “invaluable help” of the Unit.<sup>1</sup>

4. Overall, almost half (46%) of Scrutiny Unit staff time was spent on expenditure-related tasks; 23% on draft bills, and 31% on “other” activities, as shown in Figure 1 below.

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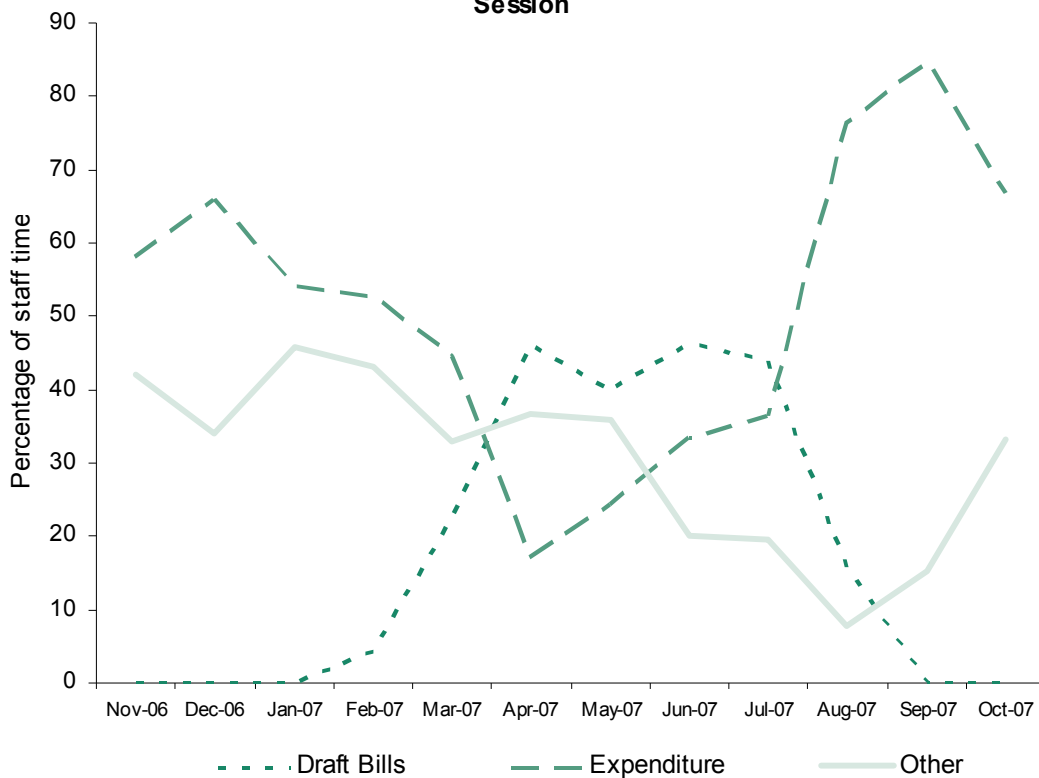
<sup>1</sup> Transport Committee, *Work of the Committee in 2007*, para 4. Justice Committee, *Work of the Committee in 2007*, para 39. See also Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 50, Culture, Media and Sport Committee, *Work of the Committee in 2007*, paras 14 and 15.

**Figure 1 - division of Scrutiny Unit staff time (%)  
2006-07 Session**



5. The variation in the Unit’s workload over the course of the Session is clear from Figure 2 below.

**Figure 2 - division of Scrutiny Unit staff time throughout the 2006-07 Session**

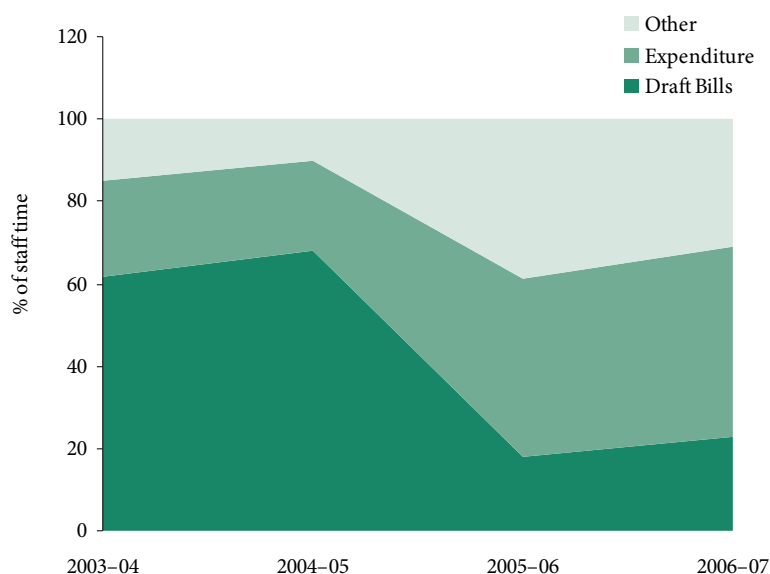


6. The “spike” of work on draft bills between April and July reflects the fact that draft legislation is now habitually published in the Spring, with pre-legislative scrutiny usually completed by the summer recess. On the other hand, the intensity of work on financial

scrutiny remains broadly constant throughout the year—thereby accounting for a much higher proportion of the Unit’s overall work in, for instance, August.

7. The way in which the Unit’s resources are deployed has changed since it was established in November 2002. In the 2003–04 Session, most (62%) of Scrutiny Unit staff time was spent on draft bills, with 23% on expenditure-related tasks and 15% on “other” tasks. Over the last few years, expenditure and “other” tasks have increased in importance (see Figure 3 below).

**Figure 3 - division of Scrutiny Unit staff time by session**



8. The change in types of work reflects both the falling off in the numbers of draft bills published by the Government (see Annex for more details on numbers of draft bills) and the increase in the range and volume of tasks undertaken by Unit staff, such as supporting public bill committees.

9. Scrutiny Unit staff undertook tasks for each of the departmental select committees, although there was considerable variation in the extent to which committees used the Unit’s services. The Treasury Committee made most use of Unit staff (about 10% of total staff time in Session 2006–07), which is attributable partly to the obvious synergy between its work and that of the finance team in the Unit, but especially to staff shortages experienced by the Committee. The Transport Committee was the second highest user, accounting for about 5% of staff time. The Welsh Affairs and Environmental Audit Committees used the services of the Unit the least.

### Staffing of the Unit

10. The Unit’s staff increased by 2.5 full-time equivalents over the course of 2007. The current complement comprises: two legal specialists on short-term contracts, a statistician on secondment from the House of Commons Library, two financial analysts on secondment from the National Audit Office and two from Government departments, an

economist on a short-term contract and a Home Affairs/Public Policy Specialist on a short-term contract. In addition, there is a core team of the Head of Unit and two Deputy Heads (Finance and Legislation), an assistant clerk (attached to the Unit for one year, but not part of the formal complement), a committee assistant, a team manager, two chief office clerks, a part-time senior office clerk and an office support assistant. In addition, an additional committee assistant was assigned to the Unit for some months in the summer to support work for the joint committee on the draft Climate Change Bill. The Unit has continued to host a series of ESRC students on three-month placements.

11. Two of the additional staff were appointed in response to specific business needs. The part-time office clerk was needed because of the additional administrative burden arising from the new evidence-taking powers of Public Bill Committees (see further below). The public policy analyst post, created in Autumn 2007, represents a new departure, working across the Unit, the Home Affairs Committee and the Justice Committee in support of their work. The appointment reflects the high level of legislation-related work generated in the home affairs and justice field, affecting both select committees and public bill committees.

### Financial scrutiny work for select committees

12. The Unit continues to support Select Committees in their core tasks of examining departmental expenditure (core task 5) and examining performance against key targets in the Public Service Agreements (core task 6). The finance team provided briefing for committees on the Main and Supplementary Estimates (including analysis of departments' Estimates Memoranda), resource accounts, Autumn Performance Reports and Departmental Annual Reports (DARs) of all the major Government departments and agencies. This included briefing for those committees which held evidence sessions on their departments' DARs. We also contributed to the drafting of committee reports on DARs and Estimates—for instance those by the Defence and International Development Committees. Following practice in previous years, the Unit has undertaken an overarching review of the 2007 DARs, which was published in March 2008.

13. The finance team continues to be particularly active in its support of the Treasury Committee, including contributing to briefing on the Budget, the Pre-Budget Report and the Comprehensive Spending Review, and drafting reports on globalisation and the regulation of travel insurance. The Committee has noted the benefit of the Unit's assistance.<sup>2</sup>

14. Other examples of financial scrutiny work undertaken for committees in 2007 include an analysis of economic arguments for space travel for the Science and Technology Committee and of police funding for the Home Affairs Committee. The Unit has had a long-running association with the Environment, Food and Rural Affairs Committee in its examination of Defra's budget—an example of the Unit's core function of analysing

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2 Treasury Committee, *Work of the Committee in 2007*, para 33

departmental annual reports widening to include work on the Department's wider financial management. The Committee has noted the value of the Unit's assistance.<sup>3</sup>

15. The Unit's statistician, on loan from the House of Commons Library, assists committees with statistical analysis, as well as contributing to the general financial scrutiny work of the Unit. Examples of the statistician's work in 2007 include assisting the Environment, Food and Rural Affairs Committee in its inquiry into Badgers and Bovine TB and the Home Affairs Committee's inquiry into police funding.

## Legislative scrutiny

### Draft bills

16. Draft Bills are considered by *ad hoc* Joint Committees of both Houses or departmental Select Committees (in pursuit of core task 3). In 2007, the Government published four bills in draft, three of which received pre-legislative scrutiny. The Unit provided legal specialists, administrative staff and one of its Clerks to support the two joint committees appointed to examine the draft Climate Change Bill and the draft Human Tissue and Embryos Bill.<sup>4</sup> As in previous years, the two joint committees were given a very tight timetable to complete pre-legislative scrutiny, and thus an intensive workload for members and staff, but they were nevertheless able to publish their reports on schedule.

17. The draft Climate Change Bill was also subject to pre-legislative scrutiny by the Environment, Food and Rural Affairs Committee, as well as being considered by the Environmental Audit Committee as part of a wider inquiry.<sup>5</sup> This put pressure on specialist staff resources, which was alleviated partly by the assignment of an NAO specialist to the committee team, on a part-time basis, and by shared working between EAC specialist staff and the staff of the joint committee.

### Public Bill Committees

18. In 2007 the new procedure under which Public Bill Committees (PBCs) may take written and oral evidence on bills came fully into operation. Five PBCs took oral evidence during the year, holding a total of 15 evidence sessions, and receiving some 500 written submissions—about 400 of them in respect of the Criminal Justice and Immigration Bill. This represented a significant new task for the Unit's administrative staff, who manage the receipt, checking and circulation of submissions to Committee members, and make the practical arrangements for oral evidence sessions. In addition, the Deputy Head (Legislation) commissioned and edited briefing for those evidence sessions from specialist staff of select committees, and she also contributed to the briefing.

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3 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 44. See also e.g. Culture, Media and Sport Committee, *Work of the Committee in 2007*, para 14.

4 See Annex for more information on numbers of draft bills in recent sessions.

5 Environment, Food and Rural Affairs Committee, *The Work of the Committee in 2007*, para 14; Letter from the Chairman of the Environmental Audit Committee, Appendix 1, para 4

### **Regulatory Reform Orders and Legislative Competence Orders**

19. Legal specialists in the Unit have continued to work with the staff of the Regulatory Reform Committee in its scrutiny of Regulatory Reform Orders (RROs) made under the Regulatory Reform Act 2001. In 2007 one of the Unit's legal specialists undertook all the work on the Committee's inquiry into the draft Financial Markets and Services Order.

20. The Government of Wales Act 2006 introduced a new procedure whereby the National Assembly for Wales can bring forward proposals which would extend the Assembly's law-making powers by way of Legislative Competence Orders in Council (LCOs). The Orders do not themselves change the general law for Wales—they pave the way to subsequent changes in the law applying to Wales within the devolved areas of legislative competence.<sup>6</sup> The Welsh Affairs Committee undertakes scrutiny of LCOs. The Unit's legal specialists have assisted the Welsh Affairs Committee in its scrutiny of two draft LCOs. Scrutiny of LCOs looks set to become a regular task for the Unit's legal specialists.

### **Other work for committees**

21. The Scrutiny Unit continued in 2007 to support committees in areas outside its core specialisms of financial and legislative scrutiny. This provision of “surge” capacity has been of particular help to committees faced with unexpected demands in workload or gaps in their staff complement. Once again, a member of staff was seconded on a short-term basis to the Treasury Committee, but otherwise work was done on a project basis with staff remaining based in the Unit. A recent example was the Assistant Clerk managing an entire inquiry for the Transport Committee. The new Home Affairs/Public Policy Specialist post (see paragraphs 10–11 above) was created to fill a specific gap in resources elsewhere in the Committee Office, and was placed in the Unit to allow flexibility in her deployment.

22. Unit staff have also continued to assist committees in managing online forums in connection with committee inquiries, and the Unit has supported the Web Centre in developing advice and guidance to committee staff in this area. One of the Unit's office clerks continued to work as the committee assistant on the Select Committee on the Crossrail Bill. The Bill has now completed its passage through the Commons, and gone to the House of Lords. This member of Unit staff was seconded to the Lords in January 2008 to assist with scrutiny of the Bill in that House.

### **Work for the Liaison Committee**

23. Unit staff have continued to provide support for the Liaison Committee's work. We supplied the secretariat for the Committee's working group on post-legislative scrutiny, and have made a significant input to the working group on improving financial scrutiny.<sup>7</sup>

24. Unit staff also advised the Committee on how to respond to Treasury proposals to merge departmental annual reports and resource accounts, a project which was piloted by

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6 Welsh Affairs Committee, Second Report of Session 2007–08, *Proposed Legislative Competence Orders in Council: Additional Learning Needs*, HC 44, para 1

7 See Liaison Committee, Second Report of Session 2007–08, *Parliament and Government Finance: Recreating Financial Scrutiny*, HC 426, para 3 - to be published on 21 April 2008.

two departments during 2007. The Unit has also briefed staff of the select committees which monitor these departments on how the change affects their scrutiny of financial reporting.

### Wider work

25. As in previous years the Unit has carried out work for customers other than the departmental select committees, although we strive to ensure that this does not prevent us from carrying out our “core work” for committees. Prominent examples include briefing and support for the Speaker’s Committee on the Electoral Commission in its review of the Commission’s 2007–08 Estimate and Corporate Plan. This included consideration of a new four-year budget for the Commission. Staff of the Unit’s finance team provided briefing for the Committee and its sub-committee, in advance of its meeting with Commission officials, as well as appearing themselves before the Committee.<sup>8</sup>

26. At the request of the Clerk of the House, in his role as Accounting Officer, the Head of the Unit, the Deputy Head (Finance) and another member of the finance team carried out a review of the internal audit function of the House of Commons Internal Review Service. The report of the review was submitted in July. Its recommendations were accepted by the Clerk and the Audit Committee and are in the process of being implemented.

27. The finance team has made contributions to several Treasury consultations. Examples include the Treasury’s reviews of the new edition of *Government Accounting*, now re-published under the title *Managing Public Money*; and the Treasury’s revision of *Supply Estimates: A guidance manual*, which included revised guidance on Estimates Memoranda. Finally the finance team has continued to support the Parliamentary Observer on the Financial Reporting Advisory Board (FRAB).

### Training and sharing best practice

28. The Unit continued the work started in 2006 to help train Government and House staff on the evidence-taking aspects of the new Public Bill Committee procedures, including presentations to staff of Government departments and committee specialists, and bilateral meetings. Members of the finance team have also briefed committee members on aspects of financial reporting, e.g. the Estimates process.

29. In 2007 the Unit also published a handbook for Members on parliamentary scrutiny of Government finances, *Financial Scrutiny Uncovered* and sought to put more material on its website. An example of the latter is a note on public sector pensions liabilities, which was later cited by the Institute for Fiscal Studies in its 2008 “Green Budget”.<sup>9</sup>

30. International interest in the legislative and financial scrutiny work of the Unit is reflected in regular visits by staff and members of overseas legislatures. In 2007 Unit staff briefed visitors from, among other countries, Australia, Botswana, the Czech Republic, Egypt, Ghana, Gibraltar, Indonesia, Kenya, Namibia, Nigeria, Portugal and Slovenia.

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8 Speaker’s Committee on the Electoral Commission, Third Report of Session 2006–07, *Third Report 2007*, HC 288, para 11 and Appendix 3

9 Both publications are available online at [www.parliament.uk/scrutiny](http://www.parliament.uk/scrutiny)

## The future

31. The Unit celebrated its fifth birthday in November 2007. This was a good time to take stock of what we had achieved, but also to consider how well we do our job and what we could do better or differently. At around the same time, the Review of Select Committee Resources produced its report. The Review concluded that:

The Unit provides a positive model of multi-professional and cross-Committee collaboration, containing as it does a mix of accountants, lawyers and other specialists providing support to a wide range of Select Committees rather than a single customer.<sup>10</sup>

The Review also noted the positive view of the Unit’s work expressed by the majority of chairmen interviewed.<sup>11</sup>

32. The Review team also noted that the Unit could do more to communicate with its “customers” among committee staff about how it could help them.<sup>12</sup> Partly in response to these findings, and also arising from discussions at our annual awayday, we have reviewed how we communicate with committee staff and how we can further improve the ways in which we engage with our customers. We are in the process of implementing the changes arising from our review.

33. The Review also proposed that the Committee Office works towards the establishment of a central Research Unit, bringing together a broad spectrum of skills and policy experience. The Review noted that the Scrutiny Unit “provides a good model on which the Committee Office could build” in developing such a centralised model.<sup>13</sup> It is not yet clear what model of staffing will be adopted for the Committee Office, but any significant changes to the current structure will clearly have a major impact on the Unit.

34. In the shorter term, it is difficult to make definite predictions about the balance of the Unit’s future work, as this will depend (as ever) on the number of draft bills published and joint committees appointed, the demands of committees for “surge capacity” (which will in turn be heavily influenced by their staffing patterns) and the demands of public bill committees. The latter have already created a significant amount of extra work for the Unit in the first month of 2008. However, whatever the split between different types of work, it seems unlikely that the total volume of tasks the Unit is asked to carry out will decline in the foreseeable future.

Matthew Hamlyn  
Head, Scrutiny Unit

*February 2008*

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10 *Review of Select Committee Resources*, p 65

11 *Ibid.*

12 *Ibid.*, pp 63, 67

13 *Ibid.*, pp 9, 64

**Annex: Draft Bills published since Session 1997–1998**

<b>Session</b>	<b>Number of draft bills published</b>	<b>Number of Government bills published</b>
1997–98	3	53
1998–99	6	31
1999–2000	6	40
2000–01	2	26
2001–02	7	39
2002–03	10 <sup>1</sup>	36
2003–04	12	36
2004–05	5 <sup>2</sup>	32
2005–06	3	58 <sup>3</sup>
2006–07	4	33
<sup>1</sup> Includes draft clauses of the Police (Northern Ireland) Bill and the Gambling Bill <sup>2</sup> Includes draft clauses of the Company Law Reform Bill <sup>3</sup> Includes the European Union Bill (not proceeded with)		

## Appendix 4: National Audit Office Support for House of Commons Select Committees in 2007

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### Introduction

1. The primary responsibility of the Comptroller and Auditor General and the National Audit Office is to assist Parliament in holding government to account for the use of public resources. The Office does this principally by auditing the financial statements of all central government departments, agencies and other public bodies and reporting the results to Parliament; and by presenting some 60 major value for money reports to Parliament each year on the economy, efficiency and effectiveness with which public money has been used to support the delivery of services for the public.

2. One of the Office's key roles is to support Parliamentary scrutiny by assisting the Committee of Public Accounts when it meets to take evidence from departments on the Comptroller and Auditor General's reports on the results of its financial audit and value for money work. The Office provides informal support to the Committee for the 50 or so meetings a year it holds on these reports and the Comptroller and Auditor General and National Audit Office staff attend each hearing.

3. In addition to supporting the Committee of Public Accounts, with the support of the Public Accounts Commission the National Audit Office has increased the amount of resources available to support other select committees in both Houses. The Office provides support within its areas of expertise, such as analysis of financial statements, value for money, performance evaluation, regulation, financial management and reporting, and policy implementation. This paper sets out the support provided to Commons select committees by the National Audit Office in 2007.

### Supporting Select Committees

4. In addition to supporting the Committee of Public Accounts, the Office provides support to other select committees in their scrutiny of public services and expenditure. The support takes a number of forms ranging from the provision of formal evidence for the committee, including evidence-gathering and research in response to a Committee's request, to informal oral and written briefings and the secondment of staff with particular expertise in the area covered by a Committee. In 2007 the Office provided support to 11 Commons select committees (listed in table 1 below).

**Table 1: The National Audit Office has supported the following Commons select committees in 2007**

Business, Enterprise and Regulatory Reform Committee (and its predecessor the Trade and Industry Committee)

Communities and Local Government Committee

Defence Committee

Education and Skills Committee

Environmental Audit Committee

Environment, Food and Rural Affairs Committee

Health Committee

International Development Committee

Public Administration Select Committee

Regulatory Reform Committee

Treasury Committee

### ***Performance briefings for select committees***

5. As part of our programme of work aimed at strengthening financial scrutiny, the National Audit Office produced formal briefings for the Business, Enterprise and Regulatory Reform Committee, the Communities and Local Government Committee, and the Defence Committee on the performance of their respective departments in 2006–07. Designed to assist the committees in the examination of their department's expenditure and administration, the briefings were based on material in Departmental Annual Reports and, where appropriate, on issues that had arisen from the National Audit Office's mainstream value for money reports and wider work, for example on regulation, the efficiency programme and performance system validation, and the action departments had taken in response.

6. The performance briefings aim to assist committees in navigating and interpreting the substantial amounts of information available on the performance of specific departments and to identify areas that committees may wish to explore. Following positive feedback from the committees concerned, the National Audit Office has allocated further resources to this area to increase the number of performance briefs it produces for departmental select committees in future.

### **The Environmental Audit Committee**

7. The National Audit Office has a long established relationship with the Environmental Audit Committee and provides regular formal and informal support of various kinds. During 2007 the Office produced four published papers in response to requests for support from the Committee:

- *Cost-effectiveness analysis in the 2006 climate change programme review*—a review of the analysis supporting the 2006 Climate Change Programme Review.
- *Central government support for local authorities on climate change*—a briefing paper providing details of: what funds central government provides to local authorities on climate change; what expectations or targets central government has set; and what is known about performance.
- *Energy consumption and carbon emissions in government departments*—a review conducted in response to the Committee’s request that the National Audit Office investigate anomalies in published data for energy consumption and carbon emissions in government departments.
- *The Climate Change Levy and Climate Change Agreements*—a briefing designed to assist the Committee’s consideration of the effectiveness of these two policies as a whole and their future role in combating climate change.

### **Other support for select committees**

8. The National Audit Office has provided formal written evidence to a number of select committees. For example, during the year the Office provided written briefings to the Treasury Sub-committee on the Debt Management Office’s activities and reporting arrangements; issues concerning the administration of tax credits; and progress by the Chancellor’s departments in meeting their efficiency targets. Similarly, the Office provided formal written briefings to the Public Administration Select Committee on the work of the Cabinet Office in 2006–07 and to the Communities and Local Government Committee on refuse collection. In response to a specific request from the Environment, Food and Rural Affairs Committee, the Office examined British Waterways’ finances and the income available to fund the estimated costs of work required to maintain British Waterways’ assets in a satisfactory condition.

9. The Office has also assisted a number of select committees by providing oral and written briefings on subjects to help identify areas for committee scrutiny. For example, the Office briefed the Trade and Industry on the UK Construction Industry in October and briefed the Regulatory Reform Committee on the Administrative Burdens Reductions Programme in November.

10. Support to select committees in 2007 included secondments of National Audit Office staff to the Defence, Environmental Audit, and Treasury Committees and a part time attachment of a specialist to the Public Administration Select Committee to assist with its inquiry into Third Sector Commissioning. The Office also provides support to the Committee Office Scrutiny Unit by seconding two or three staff at a time to the Unit.

## List of Reports from the Committee during the current Parliament

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### Session 2007–08

First Report	Pre-appointment hearings by select committees	HC 384
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### Session 2006–07

First Report	Annual Report for 2005–06	HC 406
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First Special Report	Annual Report for 2005–06: Government Response to the Committee's First Report of Session 2006–07	HC 920
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### Session 2005–06

First Report	Government Reply to the Annual Report for 2004	HC 855
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Second Report	A New Publication Order for Select Committee Evidence	HC 1271
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Third Report	Estimates Memoranda	HC 1685
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