

Finance and Public Administration Committee

14th Meeting 2022 (Session 6), Tuesday 3 May 2022

Public administration in the Scottish Government

Purpose

1. This paper invites the Committee to take evidence from John-Paul Marks, Permanent Secretary to the Scottish Government, on his aims and vision for the Scottish Government and its workings.
2. The session falls within the public administration element of the Committee's remit, which is to provide "oversight and scrutiny of the way in which government exercises its overall functions and the quality and standards of administration provided by the civil service in the Scottish Government"¹. The addition of public administration to a Scottish Parliament committee's remit stemmed from recommendations of two Session 5 committees², which noted that its omission presented a possible gap in parliamentary scrutiny.
3. This is the Committee's first opportunity to explore issues relating to public administration in government with the new Permanent Secretary.

Role of Permanent Secretary

4. Mr Marks took up the post of Permanent Secretary on 1 January 2022³, having previously worked as Director General, Work and Health Services at the Department for Work and Pensions. He replaces Leslie Evans, who held the position between July 2015 and December 2021⁴.
5. The Permanent Secretary is the most senior civil servant in Scotland, leading more than 7,000 civil servants who work for the Scottish Government. [The Scottish Government news release announcing his appointment](#) states that he is principal policy adviser to the First Minister and Secretary to the Scottish Cabinet and, "as the principal accountable officer for the Scottish Government, he is personally responsible to the Scottish Parliament for the exercise of his responsibilities". This includes "the management of the Scottish Government's £49 billion budget and the economic, efficient and effective use of all related resources". In his capacity as principal accountable officer, he gave evidence to the [Public Audit Committee on 24](#)

¹ This wording is from a Parliamentary Bureau paper on establishment of committees.

² the Committee on the Scottish Government's Handling of Harassment Complaints and from the Public Audit and Post-legislative Scrutiny Committee's Legacy Report.

³ The appointment was made by the First Minister of Scotland, Rt Hon Nicola Sturgeon MSP, in agreement with the Cabinet Secretary and Head of the Civil Service, Simon Case MP.

⁴ Ms Evans remained in the employment of the Scottish Government until 31 March 2022.

[February 2022](#) regarding Audit Scotland’s Section 22 Report: The 2020/21 audit of Scottish Government’s Consolidated Accounts.⁵ Issues explored at that session included transparency of reporting on spending, and efforts to produce whole public sector consolidated accounts.

Civil Service: structure, effectiveness and working practices

6. The civil service supports the government of the day to develop and implement its policies, as well as deliver public services. The civil service is a reserved matter under Schedule 5 to the Scotland Act 1998 and officials working for the UK, Scottish and Welsh governments are part of the same civil service organisation⁶, albeit they are accountable to different political administrations.

7. The Institute for Government explains in its [Devolution at 20](#) paper that, “in Scotland and Wales, the devolved administrations operate as a single organisation, which is designed to encourage cross-government working, while Northern Ireland has a more rigid departmental structure similar to Whitehall”. It goes on to note that the incoming SNP Government in 2007 reformed⁷ the structure of the civil service in Scotland, replacing the departmental structure inherited from the Scottish Office in 1999 with “a new, more flexible structure designed to focus the activity of government on collective rather than departmental objectives”. The Permanent Secretary at the time, Sir John Elvidge, explained that the purpose of these reforms was to “create a stronger sense of a single coherent organisation”, adding that “the relatively compact governing structure” offered an opportunity to do things differently.

8. Reporting to the current Permanent Secretary to the Scottish Government are eight [Directors-General](#) in the Scottish civil service, managing over 30 directorates and 125 public bodies, responsible for proposing legislation and putting Scottish Government policy into practice.⁸ The Constitutional Reform and Governance Act 2010 provides for a separate [Civil Service Code](#) covering civil servants who serve the Scottish Government. This Code sets out the standards expected of civil servants, including that they are expected to carry out their role “with dedication and a commitment to the civil service and its core values of integrity, honesty, objectivity and impartiality”.

9. The House of Commons Public Administration and Constitutional Affairs Committee has held a number of inquiries relating to how the civil service operates in recent years. One such [inquiry focusing on the effectiveness of the civil service](#), which was curtailed early due to the 2017 general election, was due to look at the following issues, which may be of interest within a Scottish context:

- the structure and organisation of the civil service and whether it is fit-for-purpose for the 21st century,

⁵ [The 2020/21 audit of the Scottish Government Consolidated Accounts | Audit Scotland \(audit-scotland.gov.uk\)](#)

⁶ The Northern Ireland Civil Service is a separate organisation.

⁷ The reforms coincided with the first National Performance Framework and national outcomes.

⁸ [Government structure - gov.scot \(www.gov.scot\)](#)

- the effectiveness of the civil service in delivering government policy and how well it learns from success and from failure,
- the civil service’s collective capabilities and civil servants’ individual skills, and how training and professional development could be improved,
- inclusiveness and diversity within the civil service, and
- potential risks to civil service impartiality, including whether senior levels had seen more politicisation in recent years.

10. Specific to Scotland, the [Christie Commission](#) in 2011 set out four key principles for improving the delivery of public services:

- Participation – empowering individuals and communities by involving them in the design of services,
- Partnership working – to create more integrated services that improve outcomes,
- Prioritising expenditure on prevention, and
- Reducing duplication of services to become more efficient.

11. The Committee heard in evidence that, while support remains for the Christie principles, limited progress had been made and that some ‘silo-working’ in the Scottish Government remains. Professor Graeme Roy from the University of Glasgow told the Committee on [9 November 2021](#) that, “after the Christie Commission, changes were made, with moves towards having Director-Generals and much greater collaboration and oversight across the piece [however] it is still a challenge for any organisation when big and crucial cross-cutting issues are involved”.

12. In evidence on the Scottish Government’s ‘Investing in Scotland’s Future: Resource Spending Review Framework’, the Committee heard from Emma Congreve of the Fraser of Allander Institute on [8 March 2022](#) that, “when it comes to the big decisions being made on the budget and the spending review, things are still very compressed and a little bit too siloed”. Child poverty was cited as an example of effective cross-government working, and education as an area still using the more traditional single department approach.

13. Professor James Mitchell from the University of Edinburgh told the Committee on [9 November](#) that the pandemic has seen “a freeing up and loosening of standard operating procedures, which has worked remarkably well” in empowering local communities to deliver services. He added that “it will be interesting to see whether, as we move out of the pandemic, we go back to our old ways or whether that degree of trust – it has involved a lot of trust – will continue”. The Auditor General for Scotland suggested that “it is not clear whether [government] has yet moved on from what appears to be quite a risk-averse approach in harnessing innovation and learning from failures”, adding: “however, if we wish to make improvements in how public money is spent, there will need to be innovation, and some projects will fail”.

14. Drawing on its public administration remit, the Committee is currently undertaking an inquiry into the [NPF: Ambitions into Action](#). This inquiry aims to establish how the national outcomes in the NPF shape Scottish Government policy-

development and spending decisions, looking at the current structures, processes and cultures that are in place to help deliver the national outcomes.

15. The Scottish Government website states that Mr Marks is committed to the delivery of the [National Performance Framework](#) (NPF), which sets national outcomes that describe the kind of Scotland it aims to create. In evidence to the Public Audit Committee (PAC) on [24 February](#), Mr Marks said “we want to build on the NPF and integrate it with our accounts to give us a good record of how delivery is translating into outcomes”.

16. It is understood that the Permanent Secretary in March 2022 moved responsibility for the NPF from DG Scottish Exchequer to DG Strategy and External Affairs at the centre of the Scottish Government. He provided an insight into his approach in evidence to the PAC, noting that “since arriving, I have put in place what we call the delivery executive: every Thursday, we meet the executive team to talk about the key priorities and the outcomes that we are seeking to achieve”. He added that “we talk about the short, medium and long-term activities that we are delivering to achieve those outcomes and, to an extent, our confidence that those are translating successfully”.

Culture in government

17. The [report of the Committee on the Scottish Government’s Handling of Harassment Complaints](#) (SGHHC Committee) published in March 2021 sought improvements within government in relation to its cultures and behaviours, openness and transparency, governance and oversight, records keeping and information management.

18. The Committee took evidence from the Deputy First Minister on 25 January and 26 April 2022 regarding progress in delivering the Scottish Government’s [Continuous Improvement Programme](#) (CIP), which is part of its response to the findings of the SGHHC Committee and two related reviews by Laura Dunlop QC and James Hamilton. Also discussed with the Deputy First Minister was the updated procedure for complaints by civil servants against Ministers and former Ministers. The CIP sets out “the activities that the Scottish Government will develop in 2022 to ensure that the updated complaints procedure is not seen in isolation but is set within a wider context that fosters a culture of openness and inclusion”.

19. Two further documents were published alongside the Scottish Government’s response on 21 June 2021: a [Review of Corporate Information Management](#), which aims to improve the robustness of, and compliance with, its document management and storage processes, and a [Report on Culture and Behaviours in the context of harassment complaints](#), looking at “the broad range of initiatives that exist within the Scottish Government, in actively promoting the positive values, culture and behaviours we want to see across government and in our relationship with stakeholders”.

20. [Scotland's Open Government Action Plan 2021-22](#)⁹ published on 25 March 2022 aims to “promote Open Government values of openness, accountability, transparency and involving people”, across three policy areas it identifies as priorities: Financial Transparency, Climate Change and Health and Social Care. The Plan was developed and overseen by an Open Government Steering Group, drawing half its members from government officials and the other half from civil society. It commits to:

- “greater openness, transparency and empowerment through open data,
- incorporating innovative participation through user-centred design in health and social care reform, and
- making routine use of citizens assemblies and other inclusive ways of involving communities and people”.

21. The issue of transparency around financial information and the challenges of tracking Covid spend during the pandemic are issues raised by the Committee in previous reports¹⁰. The Committee at an evidence session with the Minister for Public Finance, Planning and Community Wealth on 8 March 2022 on the Spring Budget Revision welcomed the additional level of detail provided by the Scottish Government in response to its request for more information to identify and track Covid spending. As part of the Open Government initiative referred to above, the Scottish Government undertook a discovery project in Spring 2021 in recognition that “current presentation of fiscal information is not easily accessible or presented in a way that meets most users’ needs”. The result is the [Scottish Exchequer Fiscal Transparency Discovery Report](#), which sets out the findings of the discovery project and how the Scottish Government aims to “make the existing large amount of fiscal information more accessible, understandable linked and open – rather than publishing more, new or different information”.

22. The Permanent Secretary, in a [letter to the Public Audit Committee of 8 March 2022](#), acknowledged “the need to improve the accessibility of information about public finances more broadly” and explained “with regard to the ongoing interest in Covid-19 budgets and spending, we will consider providing a further parliamentary update as part of the provisional outturn process in June”. He indicating that “making progress in relation to this is central to the Fiscal Transparency commitment” in the Open Government Action Plan, adding that “I welcome the opportunity to discuss this further during my evidence session to the [Finance and Public Administration Committee] on 3 May”.

23. Progress in “mainstreaming equality and diversity as an employer and as a decision maker” is set out in the Scottish Government’s [Equality Outcomes and Mainstreaming: report 2021](#). While this report was published prior to Mr Marks appointment, the actions and outcomes apply until 2025. The report is in two parts: the first focusing on the Scottish Government as a policy maker, embedding equality in its approach to policy development. The second relates to mainstreaming as an employer, including aims that “our workforce increases in diversity to reflect the general Scottish population by 2025”, and to foster “an inclusive workforce culture,

⁹ This is the third such Plan, developed as part of the Open Government initiative.

¹⁰ Reports on [Scotland's public finances in 2022-23 and the impact of Covid-19](#), and on [the Scottish Budget 2022-23](#).

valuing the contribution of employees from all backgrounds”. The report goes on to note that the “Scottish Government is keen to learn from our employees’ experiences of working from home during the pandemic” to inform “where and when work is delivered in the future”.

Taking evidence from civil servants

24. The Committee wrote to former Permanent Secretary, Leslie Evans, on 9 March 2022 expressing disappointment that she had failed to engage with the Committee regarding its invite to give evidence on her reflections and insights of her role. The letter indicated that it would now proceed with inviting her successor, Mr Marks, to a future meeting to hear “his aims and vision for the Scottish Government and its workings”. Mr Marks’s letter dated the following day, explained that, “as civil servants, we must always appear on behalf of or to represent the views of our Ministers, and not in a personal capacity, always consistent with the Civil Service Code “. He added that, it now therefore falls to him as serving Permanent Secretary to appear before Parliament.

25. [The Protocol between the Scottish Parliament and the Scottish Government in relation to the handling of Committee business](#) notes that “a committee may invite officials alone (i.e. not accompanying a Minister) to attend a meeting for the purpose of giving oral evidence on any relevant matter which is within the official’s area of expertise and for which the Scottish Government has general responsibility”. It goes on to state that questioning of officials should stay “within the boundaries of their particular area of expertise ... and not stray into political questions, which are for Ministers to answer”. [The Scottish Government’s guidance note for Scottish Government officials giving evidence to committees of the Scottish Parliament](#) acknowledges that officials may be called upon to give a full account of Government policies or their own actions or recollections of particular events”, while also noting that the confidentiality of exchanges between Ministers and officials should be respected.

26. During [evidence to the Committee on 26 April 2022](#), the Deputy First Minister was asked whether Ms Evans refusal to give evidence raised questions around accountability or may have hampered the Committee’s scrutiny, as was unable to hear from her directly on “issues that she felt had caused some difficulties within the administration process”. Mr Swinney disputed this suggestion, noting that “the permanent secretary is not an individual; they are an office holder [and] any of the questions ... the Committee is interested in can be put to the [new] Permanent Secretary” when he comes before it “fairly shortly”.

**Committee Clerks
April 2022**