

Finance and Public Administration Committee

14th Meeting, 2023 (Session 6), Tuesday 16 May 2023

Inquiry into effective Scottish Government decision-making

Purpose

1. The Committee is invited to take evidence as part of its inquiry into Public Administration – effective Scottish Government decision-making, from Shona Robison, Deputy First Minister and Cabinet Secretary for Finance and from:

- John-Paul Marks, Permanent Secretary, Scottish Government
- Lesley Fraser, Director General Corporate, Scottish Government
- Dominic Munro, Director for Strategy, Scottish Government

2. This paper provides a summary of the evidence the Committee has gathered to date as well as background note on the Civil Service (in Annexe A) to inform this evidence session.

Evidence gathered by the Committee

3. On 6 December 2022 the Finance and Public Administration Committee launched its [inquiry into effective Scottish Government decision-making](#), which seeks to explore the following issues:

- Transparency of the current approach
- Good practice in decision-making
- Roles and structure
- Process and scrutiny
- Information and analysis
- Recording and reviewing decision-making.

4. The Committee issued a call for views and [received 28 submissions](#) and SPICe has produced a [summary of that evidence](#).

5. The Committee also appointed Professor Paul Cairney as an Adviser to provide support to its inquiry, which included producing a research paper on decision-making within the UK and internationally, including by Government. Professor Cairney gave evidence to the Committee on his research paper, [What is effective Government?](#) at the Committee meeting on [14 March](#). This research paper highlights that key to understanding effective Scottish Government decision-making is understanding what effective Government is. It also notes that, while Governments may set out broad principles to describe this, those principles may be contradictory in practice.

Throughout his paper, Professor Cairney highlights key messages and questions for the Committee to consider as part of its inquiry.

6. The Committee has also taken evidence from witnesses at Committee meetings on [28 March](#), [18 and 25 April](#), [2 and 9 May](#). Some of the key issues discussed have been summarised below.

7. The Committee has also undertaken engagement with former Ministers, former special advisers, former civil servants and current civil servants. Summary notes from the discussions on [28 February](#), [14 March](#), [16 March](#) and [21 March](#) have been published.

Committee inquiry: oral evidence

8. At its meeting [on 28 March](#) the Committee took evidence from Audit Scotland, Carnegie UK and the Fraser of Allander Institute. A range of issues were discussed including:

- the importance of clarity of purpose at the start of policy development and clarity over what is to be achieved (without which value for money assessments can be hard to make);
- Governments can be good at being accountable for some particular targets and outcomes (which can in turn incentivise good or bad culture and behaviour) but less so when it comes to how the decision was arrived at;
- good decision-making processes exist in Government but capacity issues and speed of decision-making makes prioritisation and following those processes challenging. It also favours decision-making focussed on firefighting rather than addressing longer term challenges and squeezes the time for data analysis and identification of data gaps at the start of policy development.
- cross-cutting issues need collective accountability, which is challenging to deliver especially when different departments are at different stages of the journey in policy development. Whilst different processes between policy areas may be reasonable, there is a need for an overall framework in which challenge happens (on a proportionate basis).
- in relation to transparency, there is a difference between ‘discourse’ and recording the outcome and why. Greater transparency is needed over the risks faced at the start of policy development. Record-keeping works well when it is integrated into the process.

9. At its meeting on [18 April](#) the Committee explored the New Zealand approach to policy making with Diane Owenga from the Policy Project. The Policy Project seeks to build “a high performing policy system that supports and enables good government decision making”. Its focus is on policy development and advice rather than implementation and delivery. The Committee discussed the three frameworks - The [Policy Quality Framework](#), the [Policy Skills Framework](#) and the [Policy Capability Framework](#) used to foster improvement across all relevant organisations.

10. The Committee heard that the New Zealand’s Public Service Act 2020 was necessary in order to provide more mechanisms to facilitate effective working across

departments and to tackle silo working. It also gave power to individual agencies to, at least once every three years, provide longer term Insights briefing on trends, risks and opportunities that may affect New Zealand, independently of Ministers. Although there has been an increase in external engagement during early policy development and through the process for developing longer term Insight briefings, it remains a challenge to enable greater engagement with those in more marginalised communities.

11. The quality of policy advice by civil servants is measured across the New Zealand public service using the same approach including 1) assessment by a panel of a sample of policy advice papers and 2) Ministerial policy satisfaction surveys which enable feedback to be provided. Of greater importance and value are the overall trends and supporting continuous improvement arising from these measurements rather than necessarily individual scores. This approach has raised the profile and value of improving policy advice as well as encouraging greater learning from best practice between policy areas. As part of a longer term move towards greater transparency, Cabinet Papers are proactively published within 30 business days of the final decision being taken by Cabinet, unless there is good reason not to publish all or some of the material.

12. At [its meeting on 25 April](#) the Committee heard from two panels of witnesses. In its first panel the Committee discussed with Dr Helen Foster, Ulster University and Alex Thomas, the Institute for Government, a wide range of issues including:

- the impact of ‘churn’ on both civil servants and Ministers, including on civil servants’ ability to provide expert policy advice to Ministers and on the continuity of policies and on evaluation of policy outcomes.
- whether the balance between the number of ‘generalists’ and ‘specialists’ remains right for the civil service and the need for some generalists to be “consciously anchored to a policy” to enable expertise to be developed and continuity from policy development to implementation.
- how increasing the accountability over how civil servants take decisions could support improvements in the decision-making process including areas such as record keeping and transparency.
- the need for clarity of roles and responsibilities of Ministers, civil servants and special advisers, and fostering good relationships between them all.

13. In discussion with the Scottish Financial Enterprise and Scottish Engineering, the Committee explored each sector’s approach to decision-making, as well as within the Scottish Government, such as:

- the importance to companies’ success of a focussed long-term strategy, clearly and succinctly articulated, which then empowers others to deliver it.
- decision-making under time constraints and the ability to assess that being 80% sure of a decision is “close enough to be good enough” to take a rapid or considered decision, rather than trying to achieve 100% assurance that a decision is the right one.
- the importance to good leadership of transferrable skills such as building a good culture, lifelong learning and clarity over who takes what decision at what level.

- examples of what worked well in relation to the Scottish Government's engagement with business on decision making, including involving a mix of business and public bodies, moving at pace and involving genuine consultation.

14. [On 2 May](#) the Committee spoke with stakeholders representing Children in Scotland, Engender, Royal Society of Town Planners Scotland, and Scottish Council for Voluntary Organisations. A range of issues were discussed including:

- the importance of power/trust/value and time in ensuring that those engaging with the Scottish Government are able to openly contribute their views meaningfully and act as 'critical friends';
- the need for greater clarity of purpose in relation to any Scottish Government engagement activities so stakeholders are clear where they can influence along with parity of esteem in how their views are valued. In addition, engagement would be more effective if the Government learned from previous consultation and engagement (and then focussed on the gaps where more views were needed); one organisation should not be expected to represent a sector in discussions; and there should be better feedback to stakeholders on how their views are used and reasons for final decisions taken.
- Whilst there are pockets of good practice, a better approach to embedding core values, such as equalities, from the start of decision-making and to developing civil service knowledge and skills, is needed rather than relying on smaller external organisations to upskill staff. Civil service churn exacerbates this challenge. In contrast, in areas such as planning there is good quality collaboration, in part because civil servants are planners themselves so have a similar skill/ knowledge base to stakeholders.
- There was a sense that government should aim to 'do less, better', especially when finances are constrained. Too many policy aims had meant there was less resource/capital available to support delivery, and less time for developing the skills and training necessary for policy delivery. There needs to be a greater focus on delivery of already agreed commitments.

15. [On 9 May](#) the Committee took evidence from Professor Matthew Flinders, University of Sheffield, Sophie Howe, Sustainability Futures and Wellbeing Adviser and former Future Generations Commissioner for Wales, and Professor Steve Martin, Director, Wales Centre for Public Policy (WCPP), Cardiff University. The Committee explored the approach to decision-making in Wales as well as a range of other issues, including:

- The value of evidence-based decision-making and seeking a broad range of evidence perspectives from academia and others, such as lived experience, was discussed. This included the collaborative approach of the WCPP and Welsh Government, which seeks to ensure a clarity of purpose and to identify existing knowledge, evidence and data gaps, before embarking on policy development.
- The statutory underpinning given through the Welsh Future Generations Act to the 5 ways of working and to the 7 long term goals for public policy development and delivery in Wales. This provides a focus on improving decision-making in addressing longer term issues.

- How an ‘immature’ approach to accountability and scrutiny (which focuses on criticism) negatively impacts on the willingness of civil servants and Ministers to be candid about the challenges they face. It also makes self-reflection and internal learning from experiences of the decision-making process less likely.
- Mixed views amongst the witnesses on the value of publishing statements about decisions taken as to whether it would improve accountability and standards of advice or would narrow the focus of advice. It was suggested that building safe spaces for internal challenge and broadening the experience and skills of senior leaders (through, for example, secondments) could be a more effective approach to improving decision-making.
- The role of external consultants in supplementing (not replacing) capacity of civil servants was discussed, as well as the impact of churn in civil servants. The Committee heard that the ability to facilitate mobility of knowledge across boundaries was key to addressing the loss of expertise when civil servants move post. Commissioners also bring a focus to longer-term issues.

Next steps

16. The Committee will consider the next steps in its inquiry at its meeting on 23 May.

Committee Clerking Team
May 2023

Background note on the Civil Service

Civil Servants working in the UK comprise of those who work for the UK Government (including those working for the Scotland Office), those who work for the Scottish Government and those who work for the Welsh Government. The Northern Ireland Civil Service is administratively distinct.

The Institute for Government in its March 2023 [explainer on Civil Servant Numbers](#) defined civil servants as politically impartial, appointed officials of the UK Home Civil Service, a service which supports the work of the UK's central government departments. This, they explain, includes agencies that employ civil servants such as executive agencies, non-ministerial departments and some non-departmental public bodies and its definition also includes civil servants working for the Scottish and Welsh Governments.

In March 2023 the Cabinet Office published its National Statistics [Statistical Bulletin - Civil Service Statistics: 2022](#) on the UK Civil Service workforce, including demographic characteristics, earnings, grades, and locations of civil servants as at 31 March 2022. It shows at that time civil service employment stood at 510,080 headcount and 478,090 on a full-time equivalent basis.

The Scottish Government reports that, in quarter 4 of 2022, there was a head count of approximately 27,500¹ civil servants working for it, made up of:

- Scottish Government Core Departments (9,200)
- Scottish Government Agencies (11,800)
- Crown Office and Procurator Fiscal Service (2,400)
- Non-Ministerial Departments (4,100)²

Role of the Civil Service

The Civil Service Commission (see below) explain that the civil service has an important role in ensuring that government policy is carried out. This can include:

- implementation of Government Executive decisions;
- support and advice to Ministers
- implementation of Government projects; and
- administrative responsibilities.

Most recently part one of the [Constitutional Reform and Governance Act 2010](#) provided:

- A power for the Minister for the Civil Service to manage the civil service, and a parallel power for the Secretary of State in relation to the diplomatic service;

¹ This equates to a Full Time Equivalent of 26,100

² [Public Sector employment web table](#) updated 14 March 2023

- A requirement for a code of conduct for civil servants which specifically requires civil servants to carry out their duties in accordance with the core civil service values of integrity, honesty, objectivity and impartiality;
- The establishment of a Civil Service Commission with functions in relation to selections for appointments to the civil service and in relation to hearing complaints that the civil service and diplomatic service codes have been breached;
- A requirement for appointments to the civil service to be made on merit on the basis of fair and open competition;
- Requirements as to the appointments of Special Advisers. The appointments are to be exempt from the fair and open competition principle;
- A requirement for a separate code of conduct for special advisers which provides that special advisers may not authorise the expenditure of public funds, exercise any power in relation to the management of any part of the civil service (except in relation to other special advisers) or otherwise exercise any statutory or prerogative power.³

Civil Service Governance

Simon Case is the Cabinet Secretary and Head of the Civil Service and he acts as Secretary to the United Kingdom Cabinet, responsible to all ministers for the running of Cabinet and is the Prime Minister's most senior policy adviser. He is also head of the Civil Service and is responsible for providing professional leadership to the Civil Service. The Head of the Civil Service is one of several senior civil servants accountable for the reform of the civil service through the Civil Service Board (more on which is set out below).⁴

Alex Chisholm is the Chief Operating Officer for the Civil Service, leads the efficiency programme, working with permanent secretaries across government to put in place reforms. He also chairs the Civil Service Board, supporting the Cabinet Secretary and Head of the Civil Service in performance-managing the other Whitehall Permanent Secretaries. He is the Permanent Secretary for the Cabinet Office.⁵

The Permanent Secretary of the Scottish Government is John-Paul Marks who is accountable to Scottish Ministers. He is the principal policy adviser to the First Minister and Secretary to the Scottish Cabinet. He is also the principal accountable officer with responsibility to ensure that the Scottish Government's money and resources are used effectively and properly.⁶ The recruitment of the Permanent Secretary of the Scottish Government is led by the Cabinet Secretary and Head of the Civil Service – as 'line manager' to the role – overseen by the Civil Service Commission and with final approval resting with the First Minister.

The Civil Service Board (CSB) is responsible for the strategic leadership of the Civil Service. Chaired by the Chief Operating Officer for the Civil Service, it comprises of [a cross-section of permanent secretaries](#) from Civil Service departments and

³ [Constitutional Reform and Governance Act 2010 - Explanatory Notes \(legislation.gov.uk\)](#)

⁴ [Simon Case - GOV.UK \(www.gov.uk\)](#)

⁵ [Our governance - Civil Service - GOV.UK \(www.gov.uk\)](#)

⁶ [Permanent Secretary - gov.scot \(www.gov.scot\)](#)

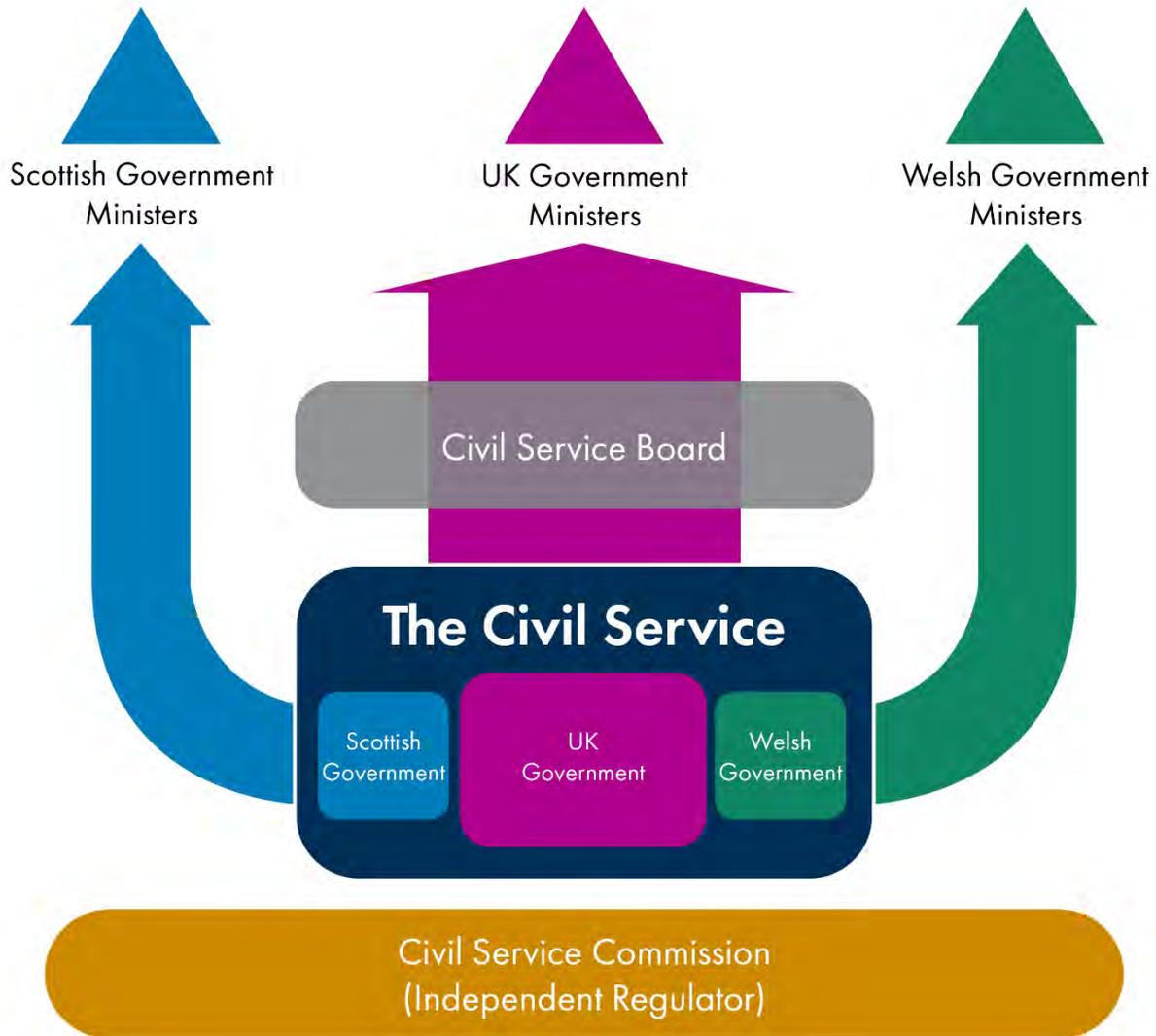
currently includes the Permanent Secretary to the Welsh Government. The CSB is accountable to the Cabinet Secretary and is responsible for considering the strategic challenges faced by the Civil Service, and collectively agreeing a way forward- The CSB takes responsibility, at an official level, for:

- the strategic direction for the operating model of government, system-wide capability and capacity, cross-cutting delivery, efficiency programmes, ensuring value for money;
- implementing the future vision for the Civil Service as a whole and solving long-term organisational and cultural challenges including around people and technology;
- managing systemic risk across the Civil Service;
- ensuring government priorities are responded to effectively;
- promoting coherent cross-government and cross-functional working; and
- holding Functions to account for delivery of their priorities.⁷

[The Civil Service Commission](#) was established by statute “to provide assurance that civil servants are selected on merit on the basis of fair and open competition; and to help safeguard an impartial Civil Service.” It is an independent regulator and comprises of Civil Service Commissioners and staff. Its role applies to all civil servants – those working for the UK Government and devolved Governments.

The figure below seeks to show the accountability relationships of civil servants working for the UK Government, those working for the Scottish Government and those working for the Welsh Government and how this relates to the governance bodies set out above.

⁷ [About us - Civil Service Board - GOV.UK \(www.gov.uk\)](#)



* Arrows above show the lines of accountability.

There are other bodies which have a role in civil service governance and these include:

- The Advisory Committee on Business Appointments (ACOBA) which considers applications under the business appointment rules about new jobs for former ministers, senior civil servants and other Crown servants.
- The People Board which is a formal sub-board of CSB and oversees strategic people-related issues across the Civil Service.
- The Civil Service Shadow Board (CSSB) which comprises of Civil Servants from the departments represented at the CSB and whose membership is drawn from grades below the Senior Civil Service. It provides different perspectives and views on the issues discussed at the CSB.

As explained by the UK Government's website, "officials working for the governments of the UK, Scotland and Wales are part of the same Civil Service organisation and share the same culture and values as set out in the Civil Service Code for:

[England and Wales](#)
[Scotland](#)

The Northern Ireland Civil Service is a separate organisation and shares the same culture and values as set out in the Civil Service Code.”

[Writing to the Committee on 19 May 2022](#), the Permanent Secretary confirmed that the Civil Service Code of Conduct sets out clearly his accountability “It states that Civil Servants working for the Scottish Government ‘are accountable to Scottish Ministers, who in turn are accountable to the Scottish Parliament’ – just as others are accountable to UK, Welsh, or Northern Irish Government Ministers. Of course part of our role is to support Ministers in engagement with the other Governments in these islands.” He explained that the Code’s provisions on integrity are particularly important and include “a particular recognition of the importance of co-operation and mutual respect between Civil Servants working for the Scottish Government and the UK Government and other devolved administrations, and vice versa”.

Professions and functions

The terms specialist and generalist have been used throughout the Committee’s inquiry. There are different ways to define these terms – the [recruitment site for Fast Stream applicants](#) refers to a generalist as “you’ll work on issues of national importance, driving forward policies and delivering operations that change society for the better.” The House of Commons Library suggests that a shorthand definition could be that specialist roles are those which require possession of other professional qualifications, for instance vets, doctors, museum curators, librarians, surveyors etc who were working within the Civil Service and where their professional qualifications are externally regulated, such as lawyers. Generalist roles are those related to operational delivery or policy development, where specific qualifications or degrees are not required or being used.

They suggest although staff will be allocated to grade, another way to determine between specialist and generalist is that there are some grades which are entitled to “a pay lead in recognition of their specialist skills, qualifications or responsibilities. These leads would be a long-term addition to pay, in contrast to other elements such as recruitment and retention allowances.”

In its April 2021 Report entitled “[Finding the right skills for the Civil Service](#)”, the IfG report that “The perception that the civil service is mostly made up of generalists is not accurate. More than half of civil servants are Operational Delivery specialists working with citizens on the front line of public services.” They add that the data collected on who has generalist or specialist skills, and to what level of competence, is poor and “Consistent information is lacking and different data collection systems across departments mean that civil service leaders do not know enough about their workforce or how best to deploy it.”⁸

[Special advisers](#) are temporary civil servants appointed in accordance with Part 1 of the Constitutional Reform and Governance Act 2010. Special advisers are bound by

⁸ [2021-IfG-civil-service-skills.pdf \(civilservant.org.uk\)](#)

the standards of integrity and honesty required of all civil servants as set out in the Civil Service Code. However, they are exempt from the general requirement that civil servants should be appointed on merit and behave with impartiality and objectivity, or that they need to retain the confidence of future governments of a different political complexion. They are otherwise required to conduct themselves in accordance with the relevant devolved or reserved Civil Service Code and in Scotland there is a [Scottish Government Code of Conduct for Special Advisers](#).