

Public Services Committee

Corrected oral evidence: Designing a public services workforce fit for the future

Wednesday 30 March 2022

5 pm

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Members present: Baroness Armstrong of Hill Top (The Chair); Lord Bichard; Lord Bourne of Aberystwyth; Lord Davies of Gower; Lord Filkin; Lord Hunt of Kings Heath; Baroness Pinnock; Baroness Pitkeathley; Lord Porter of Spalding; Baroness Sater.

Evidence Session No. 9

Hybrid Proceeding

Questions 71 – 75

Witnesses

I: Hannah Cameron, Deputy Commissioner, Te Kawa Mataaho Public Service Commission, New Zealand; Benjamin Welby, Policy Analyst, Digital Government and Data Unit, Directorate for Public Governance, Organisation for Economic Co-operation and Development (OECD); Daniel Gerson, Head of Unit, Public Employment and Management, Directorate for Public Governance, OECD.

Examination of witnesses

Hannah Cameron, Benjamin Welby and Daniel Gerson.

Q71 The Chair: Good afternoon, everyone. This is Hilary Armstrong from the House of Lords Public Services Committee, continuing our inquiry into what sort of workforce we need in the future for public services. We have three very interesting international witnesses this afternoon. I will ask the first question, and I would be grateful if each of our witnesses can say who they are and what their role is in their own domain before they answer it.

We have Hannah Cameron with us from New Zealand. Welcome, Hannah, at this very early hour for you. We also have Benjamin Welby and Daniel Gerson, both of whom are working at the Organisation for Economic Co-operation and Development. Welcome to all of you.

This question is based on something that the OECD has done but which affects all of us. The OECD has described the current context, with the

development of new technologies and the pandemic, as being part of an increased uncertainty and disruption in our lives and our public services. How do public service leaders effectively plan service delivery and develop a resilient public service workforce in such uncertainty?

Benjamin Welby: I am part of the open and innovative government division at the OECD, and I work specifically on digital government and data. I would like to respond to this first by focusing on the question of designing public services, and doing so in a way that allows them to be robust, whatever is thrown at them.

The first thing we emphasise in that respect is the importance of a service design culture, understanding how policy and services can work together with operations in managing that demand and making sure that, through the design of the service, a whole problem is being solved from the outset. Having that approach to services helps to offset failure demand—that challenge when the service goes wrong and leads to unexpected phone calls, unnecessary in-person visits or, at worst, the wrong outcome. In the moment of crisis, you need your services to be resilient and robust, and to work effectively, so user-sensitive design helps to prioritise that understanding of users.

We also champion the idea of user-driven thinking through a more co-designed or co-produced model, so that there is a shorter distance between government and the public. Whether it is a normal moment or a crisis moment, the fact that they have trust in services and can rely on them is very important.

One example of that, which we think is very nicely documented, is some work in Defra in the future farming programme. It has been co-designing with over 3,000 farmers, and has carried out over 70 tests to feed back what it has learned into the design of those schemes. By being open about what it is doing, it has created an engaged audience of people who can help to make the service better over time.

It is also important to have services that work without people needing to instigate them, so that the use of technology and data can solve problems before they come up to the public. Having a workforce that is capable of using digital technologies and data to be proactive and seamless in those services means that the service continues to work effectively when crisis hits.

We really like some work that Portugal did on developing a social enterprise tariff a few years ago for helping vulnerable households with their energy costs. Initially you had to do that yourself; you had to prompt it, even if you were eligible. They did the work to make it automatic and proactive, and they increased adoption from 150,000 people to 700,000 people. There was a lot of hidden hard work to bring people together and collaborate in order to solve the underlying data problem and make the service work to deliver against the policy intent. I will hand over to Daniel, who will talk a bit more about the resilience of the workforce.

Daniel Gerson: Thank you, Ben, for starting us off. I work in the same directorate as Ben but in a different division, the public management and budgeting division, and it is a real pleasure and honour to be here with you today. My work focuses on public employment and management. I look at the way public services and central Governments organise, develop and hire their workforces, and structure the environment they work in.

We do this work with a working group of member countries from around the world, so much of what I will share with you today is essentially the distilled collective wisdom of these countries. I am certainly no expert on the UK, so I will not go into any details in that area. I will leave anything related to New Zealand, of course, to Hannah, who I am sure will be much more effective in talking about that. I am a Canadian national, if you are wondering.

The work we have done recently is directed at the question of developing the workforce of the future. We have recently launched a report with this theme, and the question of resilience is front and centre in the minds of all our member countries. In the report we have looked at this through two lenses. One is looking at what a resilient public servant is. Public servants are at the heart of any delivery system, so resilience has to start with the individuals, but then how do we also do workforce planning in the face of uncertainty? I will try to address both of these quite quickly.

In the first case, with the workforce and individual public servants, there is no one skill or trait that renders people resilient. We have identified a number of areas that could be invested in and emphasised. One is wellness, given that people need to be healthy. Resilience is usually required in high-stress situations, so organisations can invest in wellness and health, both physical and mental. Motivation and commitment to mission is another particular theme that comes up. Those who are very committed and motivated to achieve the results of their organisation will be the ones looking for new ways of doing so in a disrupted environment.

Another theme is skills related to creative problem solving. How do we make sure that we are hiring people for these kinds of mental capabilities? One of my favourites, which we emphasise and are doing further work on right now, is this concept of learning agility. We know that public servants are being asked to keep pace with change very rapidly, and generally they are hired for very long periods. Being able to learn throughout your career is one of the most essential capabilities that we can invest in. Learning is fundamental for innovation in the context of resilience. Resilience is essentially innovation in real time, trying to learn with imperfect data, learn from mistakes and learn as we go.

Systems thinking and collaboration is another big theme that often comes up. It is about being able to think and understand the context we are working in far beyond our narrow frame of authority, to develop wide-ranging networks that can be called upon and used in moments of crisis and during emergency situations, to have these networks developed and ready, and to know how to collaborate through them.

Anticipation and foresight is another big one. Strategic foresight has been on many people's minds lately—the idea that we cannot predict the future, but we can try to improve our actions in the present by mapping out possible futures and understanding the interconnections between them, and the potential impacts of our actions on those different futures. Coming out of the Covid crisis, a lot of countries are investing in various attempts to improve strategic foresight capabilities. Those are the areas, the capabilities, the skills and the traits we have identified that public services could be investing in to improve the agility of public servants.

When it comes to the question of workforce planning, many of our delegates told us that many of the plans they had in the face of Covid ended up getting thrown out the window, to be honest. They were just not relevant in the case of an emergency. That made us ask ourselves, "How does one do relevant workforce planning that can actually stand the test of a disruptive crisis such as Covid or others that may come?"

We have done a bit of brainstorming on this, and one idea is to do strategic planning thinking far into the future. Having a strategic vision of what kind of workforce we want can help disruptive moments to be leaps towards those changes. The biggest example is that many civil services were talking about more workforce flexibility and improving the opportunities to work remotely. The pandemic created opportunities to completely put that into practice in many places, and that will stay.

Improving workforce data is a huge one in order to be able to map and understand where our workforce is, what skills they have, how we can address them and bring them together to address a pandemic or any kind of crisis.

Scenario planning is linked to strategic foresight. It allows us to look at possible future scenarios and better prepare for them. We have also talked about identifying potential flexibilities in a planning process. Looking at where workforce talent exists and developing pools for search capacity is something that Australia and the Netherlands have been working on. Developing mobility tools that can be mobilised during emergency situations is something that both Canada and Ireland were able to do.

Thinking through the essential functions, what functions need to be in place and how those could be done remotely is a key aspect of workforce planning that can also lead to greater resilience, as well as investing in the resilience traits and skills that I mentioned earlier.

Hannah Cameron: Good morning or, I should say, good evening. I am the deputy commissioner for strategy and policy at the Public Service Commission in New Zealand. Our organisation is the one that leads the public service. It works in a number of ways on the future of the public service, the design and the operation. My particular role in the last few years has seen me being involved in a reform of the public service and a rewriting of our underlying legislation that governs the public service, the Public Service Act.

This is a really interesting question and there are so many layers to it. A lot of what Benjamin and Daniel have talked about is very relevant in New Zealand, but I want to focus in particular on one layer of the many answers to the question, which is the base layer—Daniel touched on it a little—and the motivation of public servants. In our reforms, New Zealand has had a particular focus on the underlying institution of the public service, and the culture, principles and values that support it. We think that the concept of trust and confidence in our institutions is so important to the question of resilience. Despite all those changes and fluctuations, we consider that trust in government and the public service is one of the key factors that will bear us throughout those changes.

In order to support this, we have focused on those underlying motivations. Daniel touched on this, but we call it the spirit of service that public servants bring to their roles. That is what makes the public service different from private institutions in some ways. What people are motivated by in the public service is a sense of giving back to their community, whether it be to their local community or to their nation. We have instituted within our legislation that it is the responsibility of leaders and chief executives of agencies within the public service to nurture and support that spirit of service. Those leaders do not give it to public servants; they come into their role with it. For the people who are recruited into the public service both now and in the future, it is really important that we continue to respect, look for and celebrate that, because that gives the underlying motivation.

Within our legislation we have set out the principles and values that underpin the public service, and, alongside that, a sense of integrity. If the public service cannot keep to that underlying sense of integrity, it will not maintain the trust of New Zealanders. The pandemic has taught us so many lessons, but in a very practical way the lesson we have learned in New Zealand is this. To make people rally around certain compliance measures and different ways of living their lives that they never thought they would be asked to do, they have to understand the reasons for that, but also to trust in those people who are asking them to make changes. It has really underlined that importance for us again.

We are working with our colleagues at the OECD on the concept of trust in government, and I know the OECD has looked at this in depth. Things that have come through in their work that underpin trust, and we can see this in New Zealand, are the behaviour of individual public servants and the way in which they are responsive to the people they serve. Often, in our surveys, that comes down to the basic human interaction that people experience, whether it be by phone, online or in person. They talk about that responsiveness, but also about characteristics such as respect and honesty. Continuing to value those underlying attributes is the baseline for building the workforce of the future, and then for building the talent and all those great things about design and service on top of that.

The Chair: Those were three very in-depth answers, which are very helpful to us.

Q72 Lord Filkin: Benjamin, in our previous discussion we recognised that in the UK we are facing two demographic pressures, which mean far greater demand for health and social care, and a consequent increase in those pressures, yet a workforce shortage is growing across the economy. In other words, there are fewer entrants into the labour market compared to the number who are leaving it. Those are not uncommon to other countries. We are probably reluctant to fill that gap through inward migration, so there is an enormous imperative towards service transformation.

What can you tell us, from your experience and your research, either now or in a paper, about where transformations have been done to show the potential, and about the environments that are necessary to maximise transformations? Your Portugal example was a beautiful one. Can you help on those two questions, if that is not too big a handful?

Benjamin Welby: A change in the underlying approach and culture of how you design services is ultimately very rewarding and effective in reducing overheads and the gap in terms of how much there is to do. The UK is a good example of this. Building out common resources, platforms and templates that help to move quickly in designing services is one important aspect, which is about reducing the human capital needed to respond to the challenges you face, so coming at it from that end of the problem.

From the other side, we recognise the demand for a ready-made workforce. There is a lot of demand for particular skills in the workforce, and that is not an uncommon experience; as you say, it is shared around the world. That means that investment in skills is very important, but so too is working with existing staff to build their skills, build their capability and maybe pivot into new roles.

That can be quite an intimidating prospect, but, thinking about Italy and Canada as examples of this with central academy models, it is not so much about learning new skills as about buying into a new culture. It can be very inspirational, encouraging people to move out of jobs that they were doing, which will no longer be needed because you have transformed the service in a particular way that reduces the reliance on that skillset, and allowing them to do a different job.

But there is one important point, and I am grateful for the opportunity to make it. In this pursuit of using technology to transform services, it is very important to remember the face-to-face, in-person and offline experience. It is not a case of making that redundant. What it allows for is reducing demand on that in-person activity so that people who fulfil those roles are not as stretched in providing services to those who might be more vulnerable. I hope those three points are useful contributions.

Q73 Lord Hunt of Kings Heath: This is really another aspect of how we can transform our services. We know that working between different agencies, at a national, regional or local level, can sometimes be very challenging. I just wondered whether, from your experience, you could

outline the steps that can be taken to improve interagency working and, I hope, as a result of that, improve transformation and productivity.

Hannah Cameron: This is the golden question for public services. How do we get them to work across? In New Zealand, it has been particularly challenging, because reforms that we put in during the late 1980s divided up our agencies into individual businesses to deliver on set outputs in their particular service line. Over the last 30 years, we have been coming back from that to join up again a little bit.

I will reference my previous answer. If you are really clear on your underlying common values and common culture, that is the basis for any cross-agency work. We definitely see that as being a unifying force for the public service, and it should not be underestimated. To build on top of that, the key issues we have focused on in New Zealand are around common goals.

We have had various iterations of this concept. A few years ago we referred to the results concept, which is well known around the world. This is about how you get people to come around a common goal and be motivated to make a difference. We have seen that having a great rallying effect. In the last couple of years in the public service, the common goal has been very clear around the pandemic. Many people have cited that as enabling them to take more risks, take away barriers and bring people together. Applying that in different settings, and being clear about what you are going to achieve, is essential.

In New Zealand, we have put mechanisms in place to hold the leaders of public service agencies collectively responsible for those goals. One of the innovations that we are implementing as a legislative change is the idea of an interdepartmental board. A number of chief executives from different government agencies come together around a common problem. They are collectively responsible to Ministers for that, rather than their individual elements. The concept of a board is not new, particularly in the private sector. Those board members, even though they may be the chief executives coming from education, health or wherever, do not bring only that. They are collectively rallying around that particular problem.

One example of where we are using that is in the area of family violence and sexual violence. That is a classic problem, which will never be solved by one government agency alone. We have brought those chief executives on a board and made them collectively responsible. They have set out what data will govern their work. In that area, it is very difficult to have a clear target, but they need to be able to show the impact of their work. They are then very focused on what they are doing and how it will make a difference in shifting the dial on certain measures that they have chosen.

Lord Hunt of Kings Heath: That is very helpful.

Daniel Gerson: I know that Benjamin also has some thoughts on this theme, but what I want to bring forward dovetails nicely with Hannah's example. We have seen similar models in quite a few countries. It is really about making the heads of agencies accountable and responsible

for delivering on these kinds of cross-agency objectives. The systems that govern public sector organisations, ministries and public services are often designed to be very vertical. They are designed to be silos. The whole concept of budget accountability wants a clear line from spending down into results. It is quite challenging to break that.

One way we have seen that happen is through holding senior leaders accountable for achieving exactly these kinds of goals and objectives, and putting them into their performance agreements, if those kinds of things exist in a system, so that somebody is saying, "Look, I get that you did all these great things in your own ministry, but what about this part? Where is that coming up? When are you going to assign some resources to that?"

We have seen a few good examples of this. The US has its cross-agency priority goals. It is a slightly different model from the one that Hannah laid out, because they generally set a bunch of goals as part of the President's management agenda and assign a particular leader to be responsible for them. They are able to set up a key team around this, using people from various agencies to deliver these particular goals, and they are measured on these publicly over time. That is one model.

In Ireland, they have a civil service renewal strategy, which is more of an internal reform agenda. It is a nice example of taking a long-term strategic approach and then shorter-term action planning. They have a 10-year vision and three-year action cycles that they are working towards. As one of the initial steps in designing their civil service renewal strategy, they created, as Hannah mentioned, a civil service management board. I believe it was the first time that the secretaries-general of each of the ministries created a structure where they had to sit together and talk collectively about improving workforce management, among other aspects of civil service management.

An interesting innovation in this model is that they made each secretary-general accountable for a particular goal within this reform strategy. These are reforms that should be implemented across all the ministries, but each one has a champion. This forces them to work together because, if the secretaries-general from a few ministries do not play ball with the champion of one particular reform, he or she will not play ball with the others. It creates a model where people feel like they actually need to collaborate, co-operate and move things forward.

The other thing, which is quite simple, is to put co-operation and collaboration into the leadership competency framework. Leadership competency frameworks are powerful tools for showing people what is valued and what is important. This is what the middle manager will look at as they are developing their skills and behaviours to move upwards in the chain of command. These simple words can be used to hold people accountable and to drive discussions about how collaboration and co-operation needs to improve.

The Netherlands has a beautifully simple competency framework that has only three competencies: integrity, co-operation and reflection. Reflection is about learning and reflecting on experience, but co-operation is front and centre. This allows the Office for the Senior Civil Service to dive into these issues, make them very, very clear, and use them in its recruitment and development, so it becomes very salient and part of the value structure of the senior Civil Service.

Benjamin Welby: There are a couple of examples I would like to throw in. One very nicely shows the advantage of finding the thing that motivates people to come round the table. In Panama, they spent six years completely transforming their justice system from one end to the other, completely addressing all the processes, the needs and the physical infrastructure. At the end of it, they had halved the time it took for things to be done and they had entirely removed paper from the process. A big motivator to the people coming round the table to get that done was this promise of greater efficiency and a better service for the people they are working with. That is a good galvanising glue.

The second thing to throw in is the increasing pattern we see, when it comes to delivering and designing services, of trying to solve the whole of a problem, so bringing all the agencies and actors together around the table to make sure that you get all the parts of it. That can slip into consensus models where people have agreed, "This is how we are going to do it, this is what it will look like, and here are the resources and the reusable components", as I mentioned earlier.

There is a nice example from Italy about the unspoken thing that you do not want to do, which is to tell people to do things in a particular way when there is a challenge of a scale that needs a more definite statement of intent, which corrals people around it. That is not as nice as it being consensus-driven and friendly, not that it is unfriendly, but you take my point. It is setting a deadline. For them, it was digital identity. Italy has 20,000 public sector entities and they wanted to have a common approach to digital identity. They said, "By this date, all of your existing services and legacy solutions will be replaced by this answer". Critically, they provided tailored support to each of those agencies to help them do it. If organisations needed a bit longer, they got it. If they needed some dedicated resource, they got it. Through that decree but also consensus building, marrying the best of both worlds, they have enjoyed very good successes.

Lord Hunt of Kings Heath: Hannah, there is a very interesting point about resources. The UK experience is that the combination of Treasury financial rules and funding streams often makes it difficult for individual departments to shift resources in a way that would support a joint programme. Have you come across this as a challenge and, if you have, how has it been overcome in New Zealand?

Hannah Cameron: We have definitely experienced the challenge. Our Public Finance Act organises our agencies in a very similar way in terms of different organisations. We have not completely solved it, but our

boards are one way, because they can actually hold resources of their own. You can pool resources under that. The other area that we have worked through is our budgeting process. We have what the Minister of Finance has called the well-being budget, where agencies are encouraged to configure what they are looking for in terms of new resources around common goals. Unless they are configured and brought together in that way, to see how they fit together as a whole, they are much less likely to be successful through the budget process. That provides the incentives for agencies and for Ministers, most importantly, to think about how the different elements of work that they are doing can be lined up around common goals.

That is more about the new funding, which is often only the new sliver on top, rather than the baseline resourcing in agencies. That is one thing that has helped. You need to have mechanisms to fund things that are for the system's good and allow that flexibility across, so we are still experimenting with ways to do that.

Q74 **Baroness Pinnock:** We have had a fascinating session so far, so thank you, everybody. There are lots of quite different angles to the questions we are asking, which is always really helpful. My question is about training and skills. Straightforwardly, how can we identify and secure the right skills needed to get high-quality public services? You could perhaps add into that the points you have all made about values and culture in the public sector. It is not just a straightforward skills question, but a skills plus values and/or culture question.

Benjamin Welby: That blend of elements is something that we looked at in a framework we developed last year on digital talent and skill in the public sector, thinking through the blend that is needed specifically in that space of digital skills. There are a couple of things to say. First, it is important to equip all public servants with a baseline level of comfort with digital and the transformative impact it can have, understanding of user needs and trustworthy use of data.

Secondly, that moves into more sophisticated elements, so specific talented professions that involve user research, service design or product management. To complement that are the socioemotional skills and the blend of awareness about what society looks like, thinking about the challenges that ordinary people in their homes are facing on a day-to-day basis. Having a mixed, diverse group of people in the room not just because they have a particular profession, but because it is the right blend of all those things together, can help to provide the emotional intelligence as well as the specific technical skill that you might need to design a service better.

Baroness Pinnock: Do you have any examples that you would like to share of how that has worked in particular sectors of public service?

Benjamin Welby: I am loath to use the UK again; I do not want to reach for a UK example. In a lot of OECD countries, this desire to blend a team is not so much written as in the intent of whom you are hiring and

how you go about the recruitment process. The material that Daniel will speak to means that he is a better position to talk about how this is being put into practice in that fashion.

Baroness Pinnock: It is over to Daniel, then.

Daniel Gerson: That is a bit of pressure. We have been looking at this through recruitment and through learning and development. On the recruitment systems, we have been focusing on how public administrations can be more proactive in their recruitment, recognising that recruitment needs to become more targeted and be much more focused on reaching out to underrepresented skillsets. Greater diversity of skillsets is a huge topic, because we work with so many public sectors where you have such a typical status or profile of public servant. Everybody went to the same law schools and got the same degree, and then they are all entering with the same mindset. The future looks very different.

How does one become more targeted and more professional in the recruitment process? The trickier it gets, the more we want to focus on difficult to assess skills, such as how good a learner you are, how your motivation is, and how we can assess somebody's integrity in a hiring process. Hannah emphasised these things as being so important, and we completely agree. One big way is to be very clear on the values that you have and expect there to be some level of self-selection, and then to be much timelier and user friendly.

There are some interesting examples of Belgium's ministry of finance. We did a little case study on this during the pandemic. They switched to fully online recruitment as a necessity, and then realised that there is a huge amount of benefit to getting this right, so that people actually enjoy it and feel like they are engaged in a recruitment process that is moving forward, where they are getting real-time information about the status of their application. Their dropout rates actually improved. They were able to hire really good people, despite the fact that everybody was working from home and the difficult situations they were facing.

We did a survey on new recruitment tools. We created a bit of a composite indicator around proactive recruitment practices. The UK is certainly within the top tier of countries in using those kinds of practices. We have often looked at the Civil Service fast-stream programme as a model for other countries to follow, given its specificity, its different streams and its ability to target various in-demand skillsets. I am not an expert on its internal functioning, but it sounds like the kind of practice that we would be promoting for other countries to investigate and adopt.

To your culture point, when it comes to training and development we really focus on this idea of a learning culture. We are not just talking going into a classroom and taking some training courses, but about developing a managerial culture where managers see themselves as people developers and that is part of their core job description. That requires a different approach to management than many traditional

public sectors have invested in in the past. It requires professional managers who really understand people and are able to develop their skills. It requires incentives for managers to do that, and for people to want to learn during their careers. Most people want to learn, but sometimes they get discouraged by having invested in certain kinds of skills that do not end up being used, being put to best use or enabling them to move forward in their careers. There is a complex connection of putting together the right managerial culture, the right incentives, the right rewards for learning, and the right range of learning opportunities, including academies and areas to upskill.

Again, the UK's current focus on professions is really promising. We have seen more and more professions running across various ministries, developing competency frameworks and giving people a clear sense of where they need to move, what they need to invest in to move forward in their careers, and the kinds of skills they should be aware of. It is trying to create a professional culture—not professional civil servants but a Civil Service of professions. It is important to continue to invest in that.

Ben mentioned this vision of reskilling, where we have to think of both the organisational and the personal level. At the organisational level, if people's jobs are being impacted, what else do we need them to do? Automation does not necessarily replace jobs, but it replaces tasks. We need to conduct a very fine analysis of what is really changing. We have done an interesting case study in Israel, where they have tested a number of methodologies, looking at specific technologies that were being implemented. They have gone through it job by job, trying to assess what will happen and how it will change, and then looking at the individual people. Who are these people? What kind of skillsets do they have? What motivations do they have? Where would they like to see their careers migrate to if their job is essentially being taken away, or most of their tasks are, anyway?

The bottom line is that this reskilling will cost money. It will require investments. Yes, technology may reduce the number of employees required, at least in the back office, to deliver certain services, but the nature of those employees will also change. To make that change happen there has to be a commensurate investment, not just in the technology itself but in the workforce. Often countries underestimate this investment, and that impacts the bottom line of the delivery of these kinds of transformation.

The US Government have developed a toolkit to help managers do reskilling work, to assess the impacts of technology and to help them plan and identify pathways for their employees. I know that Australia has invested a fair bit in this as well. These are certain areas that we see being developed in other countries.

Baroness Pinnock: That is really very useful, with lots of detailed examples. Many thanks. Hannah, you struck a chord with me about culture, particularly values and common goals. What about the training and getting the skills right for that?

Hannah Cameron: Yes, you already took the angle I would have taken on this question, which is about the values and what people bring. Daniel has given a very thorough analysis of it, which I would agree with when it comes to the different issues in considering training. I am thinking about how to balance the generic with the specialist in different agencies. A lot of our conversation—and certainly my role and my focus—is on what the public service as a whole needs. However, we should not go too far and forget that it is valid to have specific skills and values associated with different parts of the public service. The mission that a Treasury analyst brings to their role in how they conduct their business is different but equally valid in our system to the skills and values of somebody working in the conservation area or in child protection.

We like to think about it in terms of layering, the base values that I talked about, so things that are common to all public servants, the values and the mission that people bring to their particular goal, and the training and development that they need in relation to both those layers.

The common area that we have particularly focused on is leadership. We are focused as a whole system on what we want our leaders to be like. Again, that is about shared concepts of value. Daniel mentioned the need to be “people people” and to think about management skills, but it is also about strategy and thinking into the long term. At the moment, we place a particular focus on inclusion and inclusive leadership practices in order to support the diversity of public service that we will need for the future. It is about valuing those, layering and not thinking that everybody is the same, but then also bringing people together when you need to.

Baroness Pinnock: That has been a very interesting set of answers. Thank you very much.

The Chair: That feeds in very well to our last question.

Q75 **Baroness Pitkeathley:** How can we ensure that public service workforces reflect the society they serve? It presupposes that you assume that workforces should reflect the population they serve. If you do not agree with that, I would be very glad to hear it. I was thinking of things like co-design, co-production, involving people with lived experience, targeting different groups and so on. I would like to start with you, Hannah, because of what you said earlier about trust. I wondered whether you felt that having a workforce that reflects the population feeds into the trust issue, which you talked about so eloquently.

Hannah Cameron: In a word, yes. The diversity of the workforce and inclusion is one key strand that we see as underpinning trust, both when people look at those who are delivering services to them and in the overall shape of the public service. One interesting dimension to that is to think about what reflecting the communities you serve means. That is actually a concept that we have. You asked whether we agree with it. We have put in legislation that one of the principles that should govern chief

executives in their employment practices is reflecting the communities they serve.

We look at that in two ways. One is about the actual statistical make-up of the whole public service, but, coming back to my previous comments about also valuing the specificity of different elements of the public services, different arms of the public service serve different populations. It is not as simple as just saying, "These are our percentages of the population as a whole". It is also about saying, "Well, if we're delivering certain types of service and our customers are different in their make-up, we should be reflecting that as well". We are absolutely setting that out as a goal.

We have focused a lot on two aspects. With diversity there is a real focus on data, reporting and understanding the workforce. The other element is training. We have just mentioned our leaders. We have compulsory training on things like addressing bias and different cultural competencies. In New Zealand, we have a specific focus in this space: our relationship with the Māori as our indigenous people. It is a focus that we do not quite see as being in the diversity and inclusion space because it is even more important to us. That is another layer that is even more important when it comes to cultural competence for our public service.

To your question about participation and how we think about that, one element that I will highlight, which is another focus that comes from trust and confidence, is transparency. We have a very strong focus on the transparency of the public service being part of how we work and part of how citizens are enabled to interact with and participate in decision-making. A lot of our documents, Cabinet discussions and papers are proactively released and available for members of the community to access. That is an ongoing area where we want to make more and more information available. Transparency is the other side of it.

Benjamin Welby: I will make a very quick point about the importance of openness to inclusion and involving the public, and for all public servants, particularly those in leadership, to find ways to get as close to their stakeholders and users as possible, so that they are exposed to the lived experience of the people they are serving. They need to be welcome and open to that, whether at the co-design end of it, as I mentioned earlier with the farming process, or in thinking through the more sensitive topics that people might come across—for example, the use of artificial intelligence in decision-making and the explainability of those hidden, automated black-box activities. How you engage, involve and bring people with you in a process is something that needs to be modelled from the top, but it is really important throughout the public sector so that people are encouraged and equipped to bring people on board.

Daniel Gerson: We have done a fair bit of work on diversity and inclusion in the public sector workforce. We also did an indicator coming out of our recent surveys on this, looking at three aspects. One is the actual diversity of the workforce, although internationally comparative data on anything beyond gender is quite hard to come by. The availability

of data was another factor that we looked at. The third factor was the use of various tools to manage bias and improve diversity in recruitment processes.

When we put these together, you might be interested to know that the UK is the leader in this indicator, so there seems to be a lot of good work happening in the UK Civil Service on this theme. Hannah, you might also be interested to know that New Zealand comes in a very close second. Israel is third, Canada is fourth and France is fifth, just to give you some indication.

It is not a great indicator, because it does not really give us an insight into the inclusion question, which is as important as diversity. In fact, it is probably even more so, in the sense that we can play a numbers game with diversity, but if you really want to transform that diversity into innovation, improved service delivery and all the benefits that diversity can bring, it requires creating an inclusive organisational environment. That is a huge leadership challenge. Hannah already mentioned the emphasis on leadership competencies and inclusive leadership, which I certainly echo.

We have looked at four elements of a next generation diversity and inclusion strategy. One is addressing employees' and employers' deeply ingrained views and assumptions, so taking biases head on. A lot of interesting research and tools come out of the nudge initiatives and other behavioural sciences, so there is a lot to learn from there. The second is building inclusive leadership competencies.

The third is about having more data, evidence and assessment. That is not only about data on diversity in the workforce, but about using civil service surveys to really understand inclusion. The US created what it called the inclusion quotient, an indicator based on its civil service survey, which tried to encapsulate what inclusion should look like from the perspective of the employee. It can break that down through different agencies.

The fourth one is about governance mechanisms, both top down and bottom up, holding leaders accountable for diversity and inclusion, but also creating communities of diverse groups that can do it from the bottom up.

The Chair: Thank you very much indeed for those contributions. It seems to me that there is a lot of work going on, some of which we may not be aware of. If you think we have missed anything, please let us know. It would be particularly useful if you could draw to our attention any of the reports that you have been illustrating examples from. I am talking as if the staff do not have anything to do, but we would rather have too much than too little, and we will then work on that. Thank you enormously for giving up your time and for really challenging us to think about what is also going on elsewhere.