

Public Administration and Constitutional Affairs Committee

Oral evidence: [Mission Government, HC 764](#)

Tuesday 20 May 2025

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[Watch the meeting](#)

Members present: Richard Baker; Markus Campbell-Savours; Charlotte Cane; Sam Carling; Lauren Edwards; Peter Lamb; Mr Richard Quigley; Luke Taylor; Michelle Welsh.

In the absence of the Chair, Lauren Edwards took the Chair.

Questions 1 - 44

Witnesses

I: Anna Garrod, Director of Policy and Impact, Demos; Nathan Yeowell, Executive Director, The Future Governance Forum; Joe Hill, Policy Director, Re:State.

Written evidence from witnesses:

- [Re:State](#)
- [Demos](#)
- [The Future Governance Forum](#)

Examination of witnesses

Witnesses: Anna Garrod, Nathan Yeowell and Joe Hill.

Chair: Good morning and welcome to this meeting of the Public Administration and Constitutional Affairs Committee. Today, the Committee is holding its very first session in its inquiry into mission Government. We will examine what the key components of a mission Government are and the extent to which the Government have put them in place to achieve their five stated missions.

We are joined by Anna Garrod, director of policy and impact at Demos, Nathan Yeowell, executive director of Future Governance Forum, and Joe Hill, policy director of Re:State, the new name for the Reform think-tank. You are all welcome here today.



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We will aim our questions at one panel member to begin with; it is not necessary for you all to answer all the questions. If you do not want to add to what has already been said, please just say so, but obviously feel free to come in as appropriate. Could you please introduce yourselves for the record?

Anna Garrod: Hello. I am director of policy and impact at Demos, Britain's cross-party think-tank working on a renewed democracy.

Nathan Yeowell: Good morning, everyone. I am the executive director of the Future Governance Forum.

Joe Hill: Good morning. I am the policy director at Re:State, which, as the Chair said, is the new name for the Reform think-tank.

Chair: Welcome, and thank you very much for joining us this morning. I will hand over to Richard Quigley for our first question.

Q1 **Mr Quigley:** The first question is to Mr Yeowell. What are the main features of mission Government, and how do you think they differ from non-mission Government?

Nathan Yeowell: Thank you very much for having us here this morning. To begin with, I would say that we should essentially think of missions as a mechanism or series of mechanisms aimed at changing behaviours and promoting more positive policy outcomes. The purpose of a mission's approach is not simply to solve the problems that are facing us, but to improve and strengthen our ability to tackle problems across the piece in future.

Essentially, the point of a missions way of working is to help us to turn big social, environmental and economic challenges into more concrete goals that can catalyse—awful expression—greater engagement, innovation and investment across economic sectors, but also, crucially, across society more widely. It recognises that central Government cannot achieve these ambitious goals on their own; instead, it promotes a state that will hopefully lead with greater purpose in setting out a clear stall for where we want to get to. It also promotes the idea that central Government have to create a much greater sense of partnership, mobilising action from both within Westminster and Whitehall and, crucially, beyond. That is the difficult bit when it comes to the current system.

There are essentially six key features or principles that we have talked about when it comes to mission-driven Government. The first is that missions should set out bold, audacious goals with a very clear purpose. There should not be too much misunderstanding about what those goals should actually be. Good missions set a direction but do not necessarily need to determine every step along the path towards achieving those goals. More importantly, we need to focus minds on the outcomes of these missions, work out how we empower the various actors and organisations that we want to bring with us, and generate a culture in



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which we are looking at innovating bottom-up solutions that advance progress.

The second feature is that missions really have to focus, laser-like, on the long term. It cannot be a very short-term approach to tackling this week's issue; it has to be thinking about some big, systemic social and economic issues that are still scarring the country. When used properly, missions should basically act as a forcing mechanism for civil servants and policymakers more widely to take a much longer-term view and promote a mindset that thinks differently about how we appraise, fund, evaluate and, crucially, scrutinise policy and delivery across the piece.

Thirdly, missions need to galvanise beyond central Government. This is going to be one of the big issues, because it is a significant departure from the so-called Westminster model and the top-down command and control management model that we currently live with. Instead, we need to think about how we activate all layers of Government. Quite frankly, it needs much more porous relationships between central Government and the emerging regional and local government, but also other sectors and sections of society, working together towards shared goals instead of necessarily spitting out ideas and instructions. We need to think of the Prime Minister and central Government much more as a conductor of an orchestra. How we orchestrate activity across the piece is a big challenge, and we need to start thinking much more about how we can achieve that.

Fourthly, missions should be a shared national endeavour. To endure and succeed, missions need to belong—as much as they can—to the entire country, not to a single Minister or to single-mission Departments, because that allows them to get lost in the current architecture that we have. As much as possible, if we are to proceed with this way of working, and if missions are to gain legitimacy across the country, we need a broader form of public ownership, if you like, of what these missions are and what the goals are that we are trying to set out.

Fifthly, missions should be based on new approaches to policy design. As much as they rely on action and legitimacy beyond Whitehall, they also need to shift behaviours and transformation along Whitehall in the way in which the civil service Departments do their business. They need a cultural shift here to deliver on mission-driven approaches to navigate a complex and fast-changing world, one that tolerates uncertainty, embraces constructive challenge and empowers officials to take risks, test, learn and build new skills as they do so.

The sixth feature, we would say, is that missions should direct public and private investment in line with these mission goals. Ideally, public finance should be aligned with these goals if they are to be taken forward. We need to embed them into the wiring of financial decision making across Whitehall, in particular within the Treasury. That includes crowding in private investment with patient public finance while also maintaining a



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strong commitment to missions across multiple political and financial cycles to create an enabling environment for business.

- Q2 **Luke Taylor:** That was a very comprehensive answer, and I followed two thirds of it. If I am knocking on a resident's door and explaining to them what the Government are doing differently from how Westminster and Whitehall might usually operate, and I have 30 seconds to convince them that you are not all the same and are not all politicians who confuse people to try to get them to vote for you, how do I communicate, from the very comprehensive answer you have given me, something that our residents can understand and actually see the benefits of? I understand that that is my job.

Nathan Yeowell: It's all right: I will take off my think-tank hat and put on my elected councillor hat. Luckily, none of my residents have asked me this question.

The key thing to say is that things are not working and we need a new way of bringing everybody and everything together. Essentially, if we are to tackle some longer social and economic issues that we are all facing on the doorstep, we need residents, officials and politicians to crack heads, sit down together and work out how they can come together to ensure that things are working better in the first instance.

I am not going to promise that things are going to be perfect, because the reality is that a lot of the systems are broken. We who are elected know that from talking to residents, but also—with my other hat on—we on this side know it from talking to the people we talk to in our day jobs. Basically, it is a mechanism for trying to untangle the problems of the state that we have got into.

- Q3 **Luke Taylor:** Why has that not been done before? Why is it different this time?

Nathan Yeowell: There is an issue. I do not think that this is a form of public innovation that would have gained much traction 20 years ago, when we were stuck in a public management cycle coming off the back of the 1980s and 1990s, and when the market was allowed to have a much greater impact on the delivery of public services. Quite frankly, since the crash in 2007-08, this country has not been working properly, for a variety of reasons—both political and economic, both intrinsic and extrinsic—and we have reached the point in the last five years where things are just not working. We need to be much more grown-up about how we come together to make the lives of people for whom you are elected much more tolerable than they currently are and, hopefully, much better in the future.

- Q4 **Chair:** This is a question for anyone who wants to come in. Do you think that there is a good understanding, both within and outside Whitehall, of what mission Government means and of some processes that are involved, or do you think that there is a bit more work for the



Government to do on that front? Anna, you are nodding. Do you want to come in?

Anna Garrod: Yes, I can come in on that. Through our research, we make the case that there is not a cohesive understanding of what a mission is. Standard understandings are often rooted in what we call technological missions. For example, the covid vaccine sprint or landing a man on the moon were technological missions that required technological innovation and were much more discrete. The actors involved are identifiable, and the processes that you need to drive towards that goal are much more linear.

The Government's socioeconomic missions are very different in character; they are dealing with a lot more uncertainty and complexity across the system. The language we sometimes use to talk about missions, such as "mission control", does not translate well to dealing with that level of complexity. It is difficult for Governments to have the courage to commit to a small number of goals without feeling the need to describe all the challenges they are facing, or indeed the business as usual of running Government. When we talk about the missions, there is a tendency sometimes to try to capture everything the Government are trying to do, and we see this in the proliferation of milestones underneath the missions.

The Institute for Government and Nesta are really clear that missions must sit above as the overarching story Government are telling. Then there is business as usual, and then there is crisis management and dealing with the day-to-day reactive issues that crop up, but they must be distinct. Sometimes the language of missions is used to describe the Government's overarching agenda in Government, and it should actually be quite distinct.

Q5 **Chair:** Is there anything that you think the Government should be doing to communicate those messages better? Are there any examples of other countries that have done this already?

Anna Garrod: My fellow panel members may be able to come in on international comparisons, because our research focuses on the UK. I know that Taiwan has adopted mission-driven approaches on certain issues really well. Communication at all levels is really clear. There is one thing about communicating with the public and those questions you might get on the doorstep, but until other parts of the system feel aligned around the missions and that sense of shared ownership, what you are not going to have is a message that is consistent across local government, devolved civil society, business and all the actors that we need to be involved in the delivery of missions. So it is communication with the general public, but also getting that alignment across all the different actors involved.

Joe Hill: Maybe this is a helpful area to come in on briefly, because I might disagree with the panel members a bit. There is a lot more that the



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Government should do to communicate much of their mission Government agenda, but I do not think it is the case that everyone needs to understand mission Government.

On the discussion we were having earlier, with regard to the public and quite a lot of stakeholders who care a lot about mission-driven Government, it is going to be much easier for them to be shown rather than told the benefit of this. For many stakeholders, engaging with this concept at an abstract level is going to be pretty challenging and probably not that valuable. Engaging them on specific Government missions and outcomes that they want to see and the value of those is probably going to be a more practical step to getting their buy-in. I certainly think that that is true with the public.

That is not to say that the kinds of thing we are talking about today—the architecture of Whitehall, the way Government works with local government—are not important. They are very important, which is why I and others work on them, but the public are going to engage with things like whether they think they are getting economic growth and whether they think there is less crime, rather than whether the Government are working in a “mission Government” way, and that is fine. Where there is more to communicate, and where the Government should be a bit clearer, is on the groups that they are relying on to actually deliver this.

The civil service, which is a very large organisation of 540,000 people, and frontline public services, key investors and the bits of the economy that are going to be crucial to this—that is where this message has still not quite landed. It is very tempting for lots of those groups to fit mission Government into the way they have seen previous Governments work. The civil service will say, “Oh, this feels like Cabinet Sub-Committees. We’ve had Cabinet Sub-Committees before. Let’s do some more committees—that’ll do mission Government.” That is one microcosm of it. There is more to do on clarity, but I just urge a note of caution. I do not think that everyone in the country needs to understand everything about the workings of Government all the time.

Chair: We will have some questions on the buy-in beyond Whitehall later in the session. Richard Quigley, do you have any further questions?

Q6 Mr Quigley: Yes, I have a follow-up. A long lead into a simple question: mission Government should be perfectly natural, not a thing we are discussing as something strange. Certainly, if you run your own business, missions are the way to make sure you make money every year, and the simpler the language the better, but government has not evolved this way. Is it evolution or revolution that we need? I fully understand the point about the boards and their set-up, but that feels almost counter to what mission Government would be about, so part one of the question is “Do boards have the potential to thwart mission Government by getting too big?” The actual question that I am trying to get to is “What are the handbrakes, in terms of state capacity for mission Government? What is



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stopping it?"

Anna Garrod: In terms of state capacity, the tendency of systems to revert to type is a potential powerful brake on mission delivery. There are a few levers here. The first is accountability systems and how we think about accountability. You can already see in the construction of the mission boards a tendency to drift back to linear, hierarchical ways of organising how we make decisions and hold people to account.

There are funding structures, which I will come on to later in this session, but also ways of working, to the point where you ask "Does even the civil service understand what missions are?" For civil servants who have been brought up in the civil service to be experts in their field, report upwards on what they are doing and funnel into the machinery of government, this is a very radically different way of working.

Mr Quigley: You have to learn "yes" instead of "no".

Anna Garrod: Yes, or questions before you even get to yes: "How? Why? What if?" Within a successful mission approach, there is a higher appetite for risk and failure than we currently have in our system. That is partly due to the constrained fiscal environment that we are working in. The civil service needs to be encouraged to innovate; that is going to involve testing, failing and learning. The measure of success is "Have you learned from that failure?", rather than "Did you succeed?" There are a number of steps that could be taken to upskill leaders, especially across the civil service, to develop that shared understanding of what this means.

Nathan Yeowell: I agree that if this sticks, if it is done properly and if it evolves, it represents an entirely new operating model for the way in which central Government at least do their work. There is no question about it: that is very much countercultural to where we are at the moment.

My reflection on it is that the Government have come in stating that this is what they want to do, but if this is where they wanted to be, there were two plates that needed to be set spinning on day one when they came in last year. They had to start mending the broken bits of the system, as they saw it, to get the system working, to get services and people's expectations of Government back on much more of an even keel. On day two, they had to get the plates spinning about thinking, "How do we radically transform it?"

If we were trying to set up the boards and the architecture, potentially before the plan for change was published, and we had an idea where we were going, these things might have butted up against each other. The reality is that with the plan for change, the Government are trying to use it to improve the system and those services under the mission headings, as they see them, but now they have to think about this crunchy piece of work about how we make it better.



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In terms of the civil service and capabilities, essentially there needs to be reskilling and upskilling. It is interesting to see the Government coming forward with trying to think about what the new regulations are about consultancy use and spend in the civil service. We can very much take a long-term view on this. That transactional nature is basically taking a lot of skill and expertise outside those Departments in the sectors where we need them, and we have not given enough thought to how we improve that capability on an ongoing basis. What I would say is that while we are thinking about that, we need to ensure that rethinking upskilling the state and public sector workers more generally emanates outside Whitehall. It has to actually go to those other bits of Government and the state.

We have done some work on the dynamic capabilities that civil servants also need to start thinking about. I very much agree with Anna: they have to start thinking differently, and it is much more about how one consults and collaborates differently with these other bits of the state. It cannot remain a very top-down way of communicating, but it is also thinking about how we upskill at the centre and regional and local governments, for that matter, for the ever-changing technological revolution that is upon us so that we can stay well ahead of the game.

Joe Hill: I echo that. I do not believe that the state capacity is there to deliver these missions as stated. The current set of missions is absolutely characterised by ambition and is very radical and challenging. They are feasible, but we have not architected the state and its institutions to be able to deliver them. That in itself—rebuilding these institutions—is going to be a defining challenge over the next few years.

How we got here is that, candidly, in the civil service and organisations I have worked in in other parts of the public sector, the kinds of thing we see in high-performing, highly capable organisations that deliver radical things are largely absent. For example, we have low accountability, very hierarchical and bureaucratic institutions that often have very lopsided attitudes to risk. We have talked about risk aversion. I used to say that Government was risk averse. I no longer say that, because it is not true; it is just averse to a particular kind of risk.

If you look at public services today and the reasons we have these missions, there is risk everywhere. There is a huge amount of risk—and not just risk, but failure day to day. The state at large is relatively comfortable tolerating that level of risk, otherwise we would not be here in the first place. What it is intolerant of is the risk of an individual person saying, “I am going to stick my mark against this. I am going to fix this. I am going to get it done. It is on my head, win or lose.” We try to do things in Government through big committees and limited personal and individual accountability. We do not resource individual objectives in the way that we should. That is probably the single most evident way that we are not set up to deliver these.

Chair: Luke, I know you were going to ask about the mission approach



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and the challenge it presents to the civil service later. Is there anything that you want to come in on at this point?

Luke Taylor: No, I will wait until we get to that. That is fine.

Q7 Chair: I have a quick question for Anna. Looking at the way the Government have articulated their five missions, do you feel that they are appropriate for a mission-approach Government? There does seem to be a bit of a difference: some of them are very tangible things that you can measure, like 13,000 extra police on the streets, whereas some things are a little more loosely drawn, such as people feeling like they have more money in their pocket. Do you have any comments on that?

Anna Garrod: Yes. First, within a mission approach, there should be tolerance and the ability to hold radically different missions that look and feel very different in terms of who is involved and the types of innovation, whether it is social, technological or business. That is part of moving away from the brute force approach to change that says that we need one single solution and we need to scale and sustain it.

To go back to the covid vaccine, that is an example of one solution that we just scale and sustain and get out to as many people. Moving away from that approach—embracing complexity and adaptivity—it is right that they should look different and be articulated differently. However, within the Government's own articulation of the missions, what you see is that some missions are missions and some are not. Some missions started off as missions, but now, in how we are talking about them, we have moved back to a target-driven approach and a focus on outputs, not outcomes.

The 13,000 police officers is an example of that. "Safer streets" is too vague to be a mission in and of itself; it does not describe the tangible, concrete goal that we are aiming for. However, halving the incidence of knife crime or domestic violence towards women and girls within 10 years is absolutely mission-appropriate. But then, when the plan for change came out, moving back to those outputs of 13,000 police officers, that is not saying why you are putting those police officers on the streets. Part of a mission approach is that you need the ultimate why. Who knows what those police officers will be doing? To what end are they there? We can all draw the links, but you can see that there is confusion within, and it is not consistent.

To take the health mission, "An NHS fit for the future", the NHS is a means to an end, not an end in and of itself, so that mission, again, is not appropriately couched in terms of the grand goal that we are getting to; it is describing how we get there. Within that, you can already see the old "new public management" language of targets coming back in, with 92% of patients treated within 18 weeks. Again, that is not telling us why we are doing that. You can see that the Government have started off well-ish, to a large degree, but the Government are feeling that pressure that the public wants to see things delivered. They want to be able to point to concrete outcomes, which is why we get conversations about



potholes coming to the top of the agenda. You can see that culture coming up in how the Government are approaching missions right now.

Q8 Chair: That is helpful. A final question from me before we move on to discussing tackling some silos that we know exist in Whitehall: do you think that approach that you outlined, in which the missions are being articulated in different ways and there is some slippage back into old ways of thinking, is contributing to the problem that the broader understanding of the missions in the general public is not quite where it needs to be?

Anna Garrod: It is—and I actually disagree, which is great, because that is what panels are for.

Chair: Absolutely.

Anna Garrod: I do not agree that we should be content with the idea that the majority of the public do not understand. What we have seen over the past 20 years in particular is a breakdown in trust and the ability to talk the same language between Government and the public. The missions provide a real opportunity to rebuild that trust and language. What we are seeing at the moment is that without a common language, Government are hamstrung because they lack the bold ideas, legitimacy and public buy-in to make difficult decisions.

By embracing participation and technology to rebuild that conversation, Government will be able to make more difficult decisions. We know that when you talk to the public, you can build consensus around really difficult issues such as house building. We published a report last week that says that through participatory methods, you can show the majority of the public are mimbys—“Maybe in my back yard”—not nimbys.

If those approaches were taken around the missions, we could actually build that understanding. Ultimately, we need a public who understand what Government are doing. Successive Governments have shown that talking the language of targets turns people off, is too binary and leads to a pass or a fail. That is not a measure of a Government’s success in delivering bold policy ambitions.

Nathan Yeowell: Not to overcomplicate the matter, but there is an issue here about what we actually mean. There are many different things we talk about when we talk about missions. Missions is the concept; it is actually how we bring people together to galvanise politicians, people, arms of the state and social and private sectors differently. There are then the missions, which are the missions the Government have chosen to prioritise. This is where I agree with Anna: there is a question about how they have been scripted and pursued. Is that actually at odds with the grand object of it, necessarily? Crucially, as we probably agree, there is also the concept of what mission-driven Government should be, which is all about driving different behaviours and promoting collaboration.



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All three are slightly different concepts, but actually we need to be thinking about how those three things fit in with each other. There needs to be much greater communication from the get-go about what that vision is and whether the Government are taking it seriously and thinking about what the missions of the state should be as a way of bringing people together. I agree with Anna: I am glad I am not the one who has to design the system, but we need to think much more intelligently about how we get people across the country in their communities to start thinking about what the grand challenges are that we want to face together across the future.

Maybe, in 2025 or 2026, the Government themselves should actually have the confidence to admit that the missions agreed by the Labour party in opposition in 2023 are no longer relevant or need to be tweaked. As Anna said, part of the issue with going towards a more mission-driven way of working is that we need to get rid of the virility symbol and the binary choice between "I am strong and good at that, and I will never fail" and having a massive problem when things do not work.

It would be very interesting to see how you develop that in this place, but we need to somehow promote a different kind of environment in which we are testing and learning: "This is what we think we need to do to go in the right direction, but if this pilot or intervention on the ground does not work in the first instance, that is not a 100% abject failure that means you all need to be penalised and we do not do that thing any more." You take the learning, understand what you are doing, press the reset button and move on, having accommodated the issues that have come forward.

Q9 **Luke Taylor:** I just want to pick up something you said that I thought was quite interesting. When the evidence changes or big things have been tested—I will potentially suggest that some fiscal rules could be revisited to better suit the missions—and things are not working, do we need to get braver and more confident about saying, "Look, this isn't working. This test hasn't worked and is not delivering the growth we want or the ability to invest that we want"? How do we get the missions to take into account those bigger questions? You talked about the manifesto that an election was won on. How do you make Government and the delivery of the missions better able to deal with a change of circumstance?

Chair: Do you want to come in on that, Nathan?

Nathan Yeowell: I agree with you, but I am not sure that I necessarily have an answer.

Q10 **Luke Taylor:** I will rephrase it slightly. Can the mission approach be a helpful way of persuading and delivering change in those bigger things?

Nathan Yeowell: Yes is the answer. But the question that everyone needs to be quite honest about is the extent to which there is buy-in across the system at the moment to potentially shift some behaviours.



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The CSR will be very interesting. There are some noises out there. Obviously, Ministers have met in missions clusters in their conversations with the Treasury to have their very pain-free conversations—I am sure—about what their settlements are going to be. I have my fingers crossed that the “Test, learn and grow” work coming out of the Cabinet Office is going to be expanded. They will be very welcome steps.

When it comes to financial mechanisms, at least—this is a tall order that strays into other areas—the big question is “At what point will the Treasury be willing and up for rethinking some modelling and the way it works?” Again, if we are taking a mission-driven approach to how the finances are agreed and disseminated, that will potentially involve a much less lopsided partnership between the Treasury and some Departments, including No. 10, to actually get where they want to be.

Joe Hill: Very briefly, because I would hate the Committee to get the wrong end of the stick, I absolutely believe that the Government should be communicating to the public about their missions and the things they are delivering on their behalf. That is at least a large part of the point of it.

My slight contention and pause around the issue is that the Government need to be explaining and getting the public bought into the way they architect themselves to deliver a truly mission-driven Government. Maybe as a worked example, on the point about house building, mimbys and building consensus, 1.5 million new houses was a big, headline, staple Government policy in the election, which of course they won with a very large majority, including in plenty of places where previously we thought that big consensus around house building would be tricky. We have pressed around that.

Just on the targets point, because it is really important: there has absolutely been a breakdown of trust between the state and the public. That is not always clearly around the existence of targets. It is often around having set and announced targets and then not meeting them and not being prepared to do whatever you need to deliver them—or indeed setting highly unrealistic targets in the first place. That is where trust comes in.

The challenge of an approach where we cannot talk about some kinds of concrete outcome like more money in people’s pocket—I agree that having more police officers on the beat is not an outcome, so it is a bad measure—is that those are the things that the public care about and hold the politicians to account for. One danger with the “Everyone needs to understand the full complexity of every policy, all the way across the country” approach is that the public are probably not going to do that. Targets are not always ideal, but they come from a place and we should recognise that.

Q11 **Peter Lamb:** Nathan, just to revisit your last point about the Treasury, if the purpose of mission Government is to try to break down the silos, I



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find it very interesting that we are still couching all our conversations in terms of having to approach the Treasury. Surely the purpose of some mission boards should be bringing the Treasury into the decision-making process and ensuring that it is fully sold on the objective. Do you have any ideas for how we can break that silo down better with the Treasury and ensure that it is fully integrated into delivery of these goals?

Nathan Yeowell: I will start off by saying that I agree with you. You all know better than me now, being here, the extent to which most processes emanating from Whitehall full stop—but the Treasury in particular, when dealing with the rest of Whitehall—are very much “This is what we have decided.” You then have to start thinking about how you look at it.

It would be much more helpful if we could have a more collaborative approach with the Treasury and other Whitehall Departments, thinking about what needs to happen. When they come to make settlements, the total settlement could be agreed between the Treasury and Departments, but then we could say to Departments, “To a much greater extent, you can agree how you are going to allocate your total grant from the Treasury this year and then make those decisions yourself, hopefully in much greater dialogue with the arm’s length bodies and the other people you are essentially funding.”

We are also looking at how that can be done in local government, which we might come on to later. I would argue that we need to start thinking again about the Total Place argument and how we can have a much more mature relationship with local authorities and, increasingly, regional combined authorities, with them setting the priorities in their areas instead of having everything or most things checked off a list by the Treasury.

There are very encouraging signs there, from looking at the spending review with the integrated settlement pilots that we are expecting to see in both Greater London and Greater Manchester. Off the top of my head, those types of approach—with an honest set of conversations early doors, and much more give and take between the various Departments and bits of sectors of the state—would be a welcome first step.

Q12 **Peter Lamb:** So we are trying to build co-production into Whitehall and not just on the ground?

Nathan Yeowell: Correct.

Q13 **Sam Carling:** This might be a question for Joe in the first instance, based on your written evidence. The main institutional change we often talk about in relation to mission Government is the introduction of the mission boards. As things currently stand, do you think that those are sufficiently equipped to put the priority on the missions that they need and to start to overcome siloed working between Departments in delivering them?



Joe Hill: No, I do not, but there is a limited extent to which how you set up a committee can be the decisive factor of whether we manage to deliver on these. I am conscious that I am addressing a Committee right now, so I do not want to bend it out of shape, but I said earlier that the mission boards, as we are seeing them develop in Whitehall, are largely being treated like the Cabinet Sub-Committees that came before them in different shapes and sizes. They have always looked slightly different under different Governments, but the model is broadly the same. That kind of senior forum for decision making and trade-offs about the best way to execute challenging missions and getting buy-in is crucial. But as you are getting that, without some kind of central will and capability to drive those decisions forward, it falls apart.

Historically, the criticism of the way Cabinet Sub-Committees have driven decision making is that a group of very time-constrained senior Ministers or officials—with perhaps not much else in common, day to day, and very little power to drive change, but quite a lot of veto over each other's ideas—is probably not a constructive environment for the really creative decision making and idea shaping that we need in this forum.

Maybe it will never be perfect, but certainly a positive step would be to have a much more reinforced and emboldened strategic centre in the short term, which can not only convene those committees but help to execute them. We have a missions unit set up to support and deliver them, but there are many different things you would do to constitute that committee, not just forming it from established civil servants from within Government at the moment. Bringing external talent and expertise in particular missions into that unit could be a bigger difference maker than having a slightly different set-up of a committee.

Q14 **Sam Carling:** That makes sense. On a related note, notwithstanding that, who do you think are the key stakeholders to include on these boards or on a committee like that?

Joe Hill: Usually, what you want is to construct it with as many of the relevant Ministers as possible—a cross-departmental spread, because most of these missions have a cross-departmental component to them—but not to the extent that it is a room packed full of people beyond the number who can reasonably get together and take a decision.

One thing that we have already talked about, but which I will bring back in because it is crucial, is the involvement of the Treasury in these decision-making processes. We need to bring Treasury Ministers, particularly the Chief Secretary to the Treasury, into those kinds of forum. We should recognise that you cannot write a budget for everything by committee, but ultimately the Treasury, at a very senior level, understands the kinds of decision that are on the table and the trade-offs that are being made. Once we have budgetary settlements, it is prepared to be involved but also not dictating how every single pound is spent. That balance is really important, but the involvement of the Treasury is definitely crucial.



Q15 Sam Carling: On the point about missions being not just something the Government are working on, but something that broader society tries to get behind, are there any external stakeholders you think it would be valuable to have?

Joe Hill: There are senior external stakeholders you would want to bring in, maybe from industry, local government and frontline services, but adding more of those people to a committee is not necessarily the best place to use their time and expertise. Something we are really critical of in Government is groupthink, so the senior official-level mission boards involving people—whether they are civil servants now or working in other places—in decision making and bringing in external perspectives is really good. But the most value you get from that kind of expertise is not a board that has very high-level meetings every few weeks; it is day to day, on the ground, doing some work.

Nathan Yeowell: I slightly disagree—only slightly, though. Our advice before the election and our public thinking last year were very much that setting up the mission boards essentially as Cabinet Sub-Committees was a mistake. For many honourable reasons, they just get recalibrated into the system, but obviously they would not have the sufficient status that we were calling for. If you want to make a statement that this is not just Government doing things to themselves, and that we genuinely want to bring in stakeholders in a more meaningful sense than we have before, our recommendation is that the mission boards need to bring people together and sit outside the Cabinet structures. We just have to find ways of making that work.

It comes back to a point Anna made earlier. The missions have to be the Prime Minister's vision; we need the central vision emanating out of No. 10. If that is the way forward, the Government have to bend their way of working to make this work, which includes ensuring that these things can be more than a Cabinet Sub-Committee and that we will make it work if we are bringing "outsiders" into the system to kick those tyres and help promote things in a different direction.

Anna Garrod: The senior sponsorship is really interesting, because prior to the election it was proposed that the PM would chair each of the mission boards. That has not happened. To what extent is it the Prime Minister's vision if that is lacking? I am not coming down on either side of that question, but it is an interesting one to explore.

In terms of external input, we would absolutely say that in order to think creatively, Whitehall needs to open up to the various stakeholders involved in delivering these missions. But a point of warning is that many of the missions will be speaking to the same stakeholders. We know, for example, that civil society has very little capacity, either at a local or national level, to participate in these conversations. The representative structures for business are fragmented.



What you do not want to do is create consultation fatigue and be calling stakeholders into multiple different rooms to essentially contribute the same view on how we can encourage better collaboration. We need to think about mission councils that could perhaps bring together external stakeholders to the mission, but in a much more cohesive way, and encourage cross-mission as well as cross-sector working.

- Q16 **Mr Quigley:** Joe, an alarm bell rang when you mentioned the word "Treasury", as it probably does in every MP's head. Is the Treasury the biggest silo? I do not think I mean that in a pejorative sense. If I had been running this change project in my previous life, I would probably have been tempted to put somebody from the Treasury in every Department, rather than the other way around, because the danger is that everything stops at the Treasury, whereas if you get Treasury officials in a Department, they naturally become a little more sympathetic to the mission.

Joe Hill: It is an interesting model. The answer is that I am not sure. Maybe I am going to be slightly defensive of my former Department, the Treasury, in this answer.

I worked as a civil servant, both in other Departments and in the Treasury. The one thing it is easy to underestimate when we think about all the slightly challenging Treasury behaviours that many people are familiar with—short-termism, investment versus day-to-day spending and those kinds of challenges—is how little anyone else in Whitehall, other than the Treasury, feels an incentive to save the public money.

The Treasury often feels that things are pointed out to it: "You didn't fund X. You didn't fund Y." Everyone has a personal passion project that they wish the Treasury had funded, or a tax cut that it has done, or whatever. But the Treasury would often say, "You have no idea how many really terrible ideas for spending we've had to block every single day." Very few other officials feel any particular incentive, day to day, to save the public money and say, "No, hang on—that would be a waste. Let's not even bother asking the Treasury for that." When you have a culture like that, which I agree is not a good culture, it is a bit like the saying, "When all you have is a hammer, everything looks like a nail." So often, Treasury behaviours can be unhelpful, but they do come from a place, and we need to understand that bit better.

I like your model of "How can we drive more financial control, trade-off understanding, appreciation of financial risk in Government Departments, or indeed in local government, single integrated settlements and public financing?" At the moment, the challenge is that the consolidated budgeting guidance, which Parliament approves and which the Treasury executes public spending on behalf of, says that the Treasury cannot let a bit of central Government go bankrupt. It cannot let it run out of money. If they ask for money at the end of the year because they think they are going to run out, it has to give them that. So to some extent, at the



moment, the buck always stops with the Treasury. That is why it feels that it has to take challenging cost-control decisions.

Where that runs up against missions and these ambitious ideas, particularly in a constrained financial environment, should be very obvious, and that is what we need to get out of. In the spending review, the Treasury is going to have to navigate a really tricky balance between finding more money to deliver some big set pieces that might get some missions going and taking that from somewhere, unless we are able to revisit big chunks of the fiscal rules beyond what has been done already.

- Q17 **Mr Quigley:** Effectively, we are talking about value chains rather than cost savings. You cannot cost-save your way to success without investment, so are we saying that the biggest part of education is value chain thinking? I get what you are saying about bad ideas, and I believe every single word of what you said, but equally, things that look costly up front can have the potential to be very beneficial over a five-year period. I personally do not think that that thinking exists.

Joe Hill: I completely agree. It is a step shift, but one that the rest of Whitehall needs to take as well. I always think it is interesting when officials tell me about things the Treasury guidance says about the appraisal of investment, for example, which I do not actually think is in the Green Book or a feature of how this stuff is meant to be done. Often, the issues are cultural and emerge from what people expect the Treasury to say. I have been told very confidently many times by people about what the Treasury's opinion was of chunks of public spending that I was responsible for when I was there. Often, it is not quite right; it is the chilling effect of the spectre of the Treasury on the rest of public finances.

- Q18 **Sam Carling:** We have touched on this slightly, but I have a couple of other questions about the centre of Government and its role—perhaps to Nathan in the first instance. What do you think are the key demands that the mission Government approach places on the centre of Government? Are we equipped to meet them?

Nathan Yeowell: On the latter point, I will just repeat something I said earlier. The reality of where the Government find themselves is that before they can be in a position to execute any of this properly, they feel they have to wrangle the system into a better sense of shape than they found it in, to make things more rational. That is the first caveat. The second caveat is that from my own point of view, despite being an avowed localist, I think the Government probably need to centralise this a bit in the first instance to make sure that stuff is actually going to happen. It is how you start thinking about how you push these things through the system. Those are the two areas I would look at.

Making missions stick at the centre, which is the key thing, definitely requires a more whole-of-government approach, which means that we need a strong and visible commitment from No. 10 that this is going to be the way forward and the Government are going to stick at it. The



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reality of Departments and other bits of the state is that if there is any suggestion that the Government might start changing their mind every six or 12 months—as we have seen over the last decade, quite frankly, with all the political and economic churn—we will potentially end up in a position of stasis. Things just do not happen if there is no sense of certainty about where we are going.

Touching on our last conversation, and maybe on conversations to come, it needs the unambiguous support of the Treasury. It has to be completely bought into this, with missions embedded into both the structure and the processes that help to shape departmental activity. In this widespread buy-in across Whitehall, with individual officials potentially getting to the point where we are thinking about a “missions first, Department second” approach as much as we can—that can be utilised in the current system.

The other thing we need to think about, referring back to my opening comments, is the concept of leading with purpose and really inhabiting the missions and everything that is being done. That will be fundamental to any success in changing this way of governing. To reiterate, we need to ensure that a clear overarching purpose and vision is set strongly and communicated strongly from the centre, and that should push the other bits of the system in the right direction.

We also need to articulate the outcome of these missions and of the collaboration and activity, setting out clear ideas about how we want to get there. As I have said before, it is about how we increase the sophistication of the capabilities that people working in Whitehall and across the piece are bringing with them so they can be thinking and working differently to try to pursue these goals from the get-go.

Q19 Sam Carling: That was going to be my follow-up question, actually. Your written evidence talked quite a bit about loss of necessary skills, as well as structures and cultures at the centre of Government. Can you say a bit more about what you meant by that?

Nathan Yeowell: In large part—I am repeating myself to a certain extent—it is actually about having a much more open culture. There are some fantastic people working up and down Whitehall who have worked in very difficult and strained circumstances over the last 15 years but do not have all the answers. They need to be much more outward-focused and open to having those conversations with practitioners and people delivering services on the ground, as well as with communities, to make sure that those lived experiences are properly understood when we think about how we want to pursue policy agendas from the centre.

But then—coming back to the point I made about too many skills being externalised and going off into consultancy spend—we start thinking about the challenges facing us. I am definitely getting to the point now, right? I don’t understand the apps on my phone, so I am not quite sure that I would be the right person to bring in. Without becoming overly



evangelical about it, we have to start thinking about the revolution that AI and technological change are potentially going to bring to dealing with communities and having much greater interface with people. We need to start thinking about how that technological innovation is embedded within Whitehall, but it is also crucial that that gets embedded across regional and local government. The reality of most people's lives is that they are not dealing directly with Whitehall when there is a problem with a service that has gone wrong in their community. We need to ensure that we create an environment in which we can upskill public service workers across the piece.

Q20 Luke Taylor: Picking up on the point about regional and local government, we are seeing a move by Government to relocate Whitehall staff across the country. They have announced the two campuses in Manchester and Aberdeen. Will the reduction in headcount in London and the relocation of many of them affect the ability to deliver these missions in a collaborative way? There is this conventional thinking—I am happy to be challenged on it—that by having Departments together, you can physically work together across the silos more easily. We know about virtual working, online working and all that stuff, and it is possible to do. Does the approach to those relocations potentially compromise the ability to deliver in an effective manner?

Joe Hill: I would love to comment on that. The first thing I would say is that while it is broadly a good thing, it is no substitute for things like true devolution and actually getting some decision making outside central Government. As a first step, moving bits of central Government out to other parts of the country is great, but what we should really be thinking about is how we move power, money and accountability, as well as just who sits in what office building.

Having said that, you are absolutely right that there are two things that may be slightly in tension and working against each other. On the one hand, with more geographic spread and co-working between Government Departments in other bits of the country, you get more of an exchange of ideas and a bit more collaboration. It is better for some test and learn pilots as well, where you have bits of the civil service much more embedded in local areas; it is much easier to work with strategic authorities, for example.

At the same time, there is a danger in reducing certain kinds of core capability in London, where Ministers are and where certain kinds of decision making and very fast-paced environments are going to be. Even if it is not fast-paced, it may be where the long-term creative thinking of Ministers happens, working very closely with policy teams across Government. We have seen mixed results of some very early experiments, such as moving chunks of the ONS to Newport, with the reduction of certain kinds of technical capability that are available now. Not all of Government is like that, but parts are.



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I have seen Rory Stewart talking about his time as an international development Minister and some challenges that he had with large parts of the core capability being relocated to—I have forgotten the name of it—the Scottish office. It will help us to navigate this if we are able to devolve more in the first place over time, rather than trying to do Whitehall but from other parts of the country.

Q21 Luke Taylor: Does it make sense to devolve defence, international development and things like that?

Joe Hill: Not at all.

Q22 Luke Taylor: That is a geographical collaboration question. I am very much interested in and supportive of the devolution point as well, which is slightly separate. There seem to be a lot of moving parts, reorganisations and collaboration being attempted at the same time. I know we talk about risks and being tolerant of risks, but when I was in industry, instead of working with five missions there were five corporate pillars, and you then delivered your business as usual, your projects and your crisis planning as part of the business.

If a particular concessions outlet does not work or is in the wrong place, that is a failure that does not really affect anything. But if we are talking about key functions of central Government failing or being ineffective, people's lives are potentially irreparably damaged. With the perception of risk in all these moving parts, is there a danger that too many things are happening at once and we are opening ourselves up to real institutional failure?

Joe Hill: Definitely. I would just say that we have a fairly long track record of large chunks of the domestic policy Departments being located outside London; there are campuses in Sheffield, Manchester and Leeds. I do not think enough public study and evidence gathering has been done of the impact of that, particularly on core functions and policymaking, but it would be worthy of consideration and more research. We make a lot of this policy by anecdote and a sense of what works best, rather than a really good, honest study of it.

Anna Garrod: On the point about dangers of a system influx, multiple moving parts and pursuing change right now, I would ask, "What are the dangers of not pursuing change?" We have just had a long conversation about how Whitehall works in silos. Having civil servants working with Ministers in silos is not tackling the grand challenges that we need to tackle. If Whitehall cannot work collaboratively based in London, why carry on trying to do that?

There is a huge argument that the whole point of mission-driven approaches is an externally-facing Government that is collaborating outside the Westminster bubble, so perhaps geographical relocation is one element of that. If we think about the approaches in Manchester, there were very mission-like approaches to devo Manc. What learning



could there be from that? As Joe says, this is a Demos-flavoured hunch rather than the evidence we need, but by trying it we will get evidence.

Nathan Yeowell: I agree with everything that Anna said. There is a risk in trying to take too much of a sequential approach to some changes or to this programme of transformation, at a time when we know that very many of these parts are just not working as they should. I do not think we have the luxury to take a linear step, but it just means that everybody has to ensure it works, so that makes it harder.

To come back to a word I have used a couple of times, I am in favour of co-location. If we are going to come on to devolution later, I will refrain from talking about it now, but the reality of co-location is that it needs to be for a purpose, where it is actually trying to drive specific change or different policy and delivery outcomes that make more sense to the communities that they are affecting.

There is a lot of interesting stuff being done in Sheffield at the moment. Basically, it is having civil servants co-located there, working with the combined authority and the underlying authority to kick the tyres and think about how they can transform the way services are delivered. If that ends up being the way forward for the 11 new hubs that have been announced, that will be fantastic.

On the wider point about devolution, I feel I have to defend Newport slightly, as I live two miles up the valley from it. Looking at Scotland and Wales, we can all agree that not every social or economic policy that has been delivered in any of the jurisdictions over the last 25 years has necessarily been perfect. I moved back to Wales five years ago, and socioeconomic outcomes in Wales have quite frankly not improved off the back of 20 years of devolution. If there were an opportunity to have a grown-up conversation with co-located civil servants and, crucially, Ministers and politicians from the two jurisdictions and think about how you could improve on that, that would definitely be something to encourage. I will probably be excommunicated for saying that.

Q23 **Charlotte Cane:** My question is initially for Anna. At the moment, much of the accountability for Parliament is done through Departments, with Ministers answering questions from departmental Committees. Does that have to change?

Anna Garrod: The themes that form a response to that question have been discussed in a lot of the conversations we have had already. There is probably a question about hard, formal accountability there—Joe is probably well placed to come in on that—but there is also the culture of soft accountability that sits around our formal structures.

Actually, if we had a civil service and Government that were geared towards the missions, where there was an attitude of stewardship rather than command and control—empowering civil servants to work across silos with Ministers, but also facing outwards—the formal accountability



structures may be good enough. Without that very challenging soft change in ways of working and soft accountability—how people are measuring their own progress—they probably are not.

The question is: by changing formal accountability structures, can you drive that cultural change, or does the cultural change need to happen before you change the structures? I appreciate that I have answered half your question there, in terms of it being a yes and a no. I do not have a clear view on whether they definitely do, but what I am sure about is that it is looking at the structures, ways of working and attitudes around accountability in the system.

Q24 Charlotte Cane: If we did not change the accountability structures, how would we be able to assess whether those soft changes were happening?

Anna Garrod: That is a really good question. It is at the crossroads between those two things: changes in ways of working and attitudes and skills, so it is about upskilling across the civil service and then the extent to which formal structures can actually drive this approach across Government.

It goes back to our conversation about mission boards, the senior sponsorship, the time and the capacity that senior Ministers have to engage in those, but also the structures that fall below mission boards: policy teams, the mission delivery unit and where that sits, and then the No. 10 partnerships unit. These are all really important vehicles. If they were working well, my question would be “What other formal accountability structures would we need around them?” The activity involved in delivering missions has to happen across Government, and we have accountability structures that examine activity across Government. But as I say, I do not have a firm view. I appreciate that that is frustrating.

Joe Hill: My take would be that if the Government are going to use these missions as driving their biggest changes and transformations and their most important priorities, there is absolutely no reason why Parliament should not reorganise some accountability in rooms and venues like this around that. You can think of lots of different models, for example Joint Committee hearings or new mission-based Committees. Those could all work.

The one reflection I would have is that it would be good not to lose sight of the sometimes boring business-as-usual of so much of Government. To give you an overview, the areas that the missions cover probably describe about 80% of public spending or something. Obviously, the specific milestones and targets within that are unique to particular areas; they do not cover the whole NHS and what it does, for example. It is also important for scrutiny and accountability not to lose sight of those. That rigorous departmental accountability, with the Public Accounts Committee taking an accounting officer view of public finances in particular, is well worth maintaining.



Anna Garrod: One thing we have not discussed in depth is how data is used in the evaluation of the missions and to inform the progress and direction that the missions are taking. If you look at the literature around mission approaches, the idea of rapid feedback loops in the system is really important. If we look at formal accountability structures, an election every four or five years is not a rapid feedback loop. Even a Committee hearing every six months may not be rapid enough, but it is needed.

How are we using data across all tiers of Government and capturing data and insights from outside Government to assess the progress? I have not heard enough about that within the mission approach so far. What that rapid feedback loop may look like is using AI and technology to get citizen views carefully and on specific questions, but also the views of industry partners and civil society. You could take a place-based approach as well, and those rapid feedback loops would help accountability however we structured it across the system.

Nathan Yeowell: There are three other challenges, which I do not have an answer to but which we need to be mindful of. Joe has alluded to the first one. There was a challenge to you in this place about how Parliament rethinks itself. If missions end up being a medium to long-term keeper, how does Parliament reorganise itself and rethink how it scrutinises that form of government? At the moment, you are still essentially scrutinising in the same way that you would have 150 or even 200 years ago.

The second challenge is specifically to central Government. How do you actually achieve some collective accountability so that if you are bringing people, other bits of Government and the state on board, you are collectivising both the risk and the reward by bringing others in? Then the question is "Do you still want that accountability to scrutiny to sit with central Government and not include the other units you are bringing in?" It is how you conceptualise that.

The third challenge builds on what Anna said about the use of data. Is it possible to work towards a system where you are looking at improvement and performance and you are learning that the same set of metrics and questions are being asked across the health service, the education sector, where relevant, and every arm of the state so that we can develop a much more comprehensive set of data and learning that makes sense when you are trying to bring it together?

I am sure you will have all recognised by now that if you are trying to scrutinise health, education or any other bit of the public sector, there are some vastly different metrics and dashboards out there. The question ends up being "How can we use this as a way to potentially make it easier so you can take a much greater and more expansive view of what is going on at any given point in time?"

Q25 **Charlotte Cane:** The next question is about money. Budgets remain departmental, and I know from bitter experience that crossing



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departmental budget boundaries is very difficult. Can mission Government work without some sort of dedicated cross-departmental budgets? *[Interruption.]* Sorry, I should have said that that was aimed initially at Nathan.

Nathan Yeowell: I am happy for you to go first, Joe. As you have outed yourself as a former Treasury official, I am interested to hear what you have to say.

Joe Hill: Noted. There is significant value in allocating budgets in that more shared, collaborative way for missions. You can put boards and leaders and ultimately Ministers in a position of saying, "Look, here is what we've got to deliver this. We're not going to be able to do everything. What is going to get us the best bang for our buck? Where are the tricky trade-offs and decisions going to be made?" Whatever the envelope is going to be and whatever we do with the fiscal rules, there will be those, so that strikes me as sensible.

Given the relatively constrained environments, I guess one challenge with operationalising that at the moment is that those budgets are probably going to come from somewhere else or from other Departments' budgets. How do you trade off if you are trying to do a pooled health budget at a national level, for example? How do you extricate the bits from individual NHS trusts' budgets, which are for elective care but not A&E and stuff? That is where this model quickly falls down. The national model for pooled budgets is going to work well for areas where national Government really are in the driving seat about making those trade-offs, but not well in areas where operationally a lot of this is done by local government, the health service and public services, which are very spread and diverse.

A final thought: the Treasury outlines six different models for shared public budgets and managing public money. It has different ways of doing that, all the way from Departments owning their own budgets but having a statement of intent about how they will work together, all the way up to a machinery of government transfer, where you take a chunk of budget—a budget cover transfer, it is called—and lift it and shift it, so it is now with different accounting officers.

What is interesting is that there is very little take-up of those. The Treasury is broadly happy to make those changes, but Departments rarely take it up, despite regularly saying that they want shared settlements and more accountability. We know from the integrated settlements, for example, that it has been a real fight even to get to this point over the best part of a decade. So the institutions themselves are not really clamouring for a lot of joint shared budgeting, partly because it would probably mean them giving things up. If we are going to do that, the change has to come from the top down initially, and you would say, "No, hang on: some missions are going to need some central budgets, and that is going to come from other people, but that is the way we're going to make this work."



There really is no answer. Ultimately, budgets have to be owned by someone, and someone—probably in this place—has to scrutinise them for delivering it. There is no escaping that; it is just a question of who the senior official or Minister is who is best placed to make that decision if it is very central to Government. In that case, how do we get the resources to them?

Q26 Charlotte Cane: It is interesting. Someone has to own it and be accountable, but it is about how you link that in with the aims of a mission and the “test, try and learn” idea. It is not just that we budget departmentally; we also budget in quite a lot of detail. As you go further down the existing hierarchy, from Departments to local authorities or quangos, more and more detail is required in the budget and in the reporting back on changes from those details.

But if we are going to deliver an overall mission, do we not need much more flexible budgeting? To use a phrase I have come across before, is it about “beyond budgeting”, where you have the clear goals and an overall pot of money to help you deliver those goals, but then the NHS, the Department for Education and whoever have to come together and agree how best to spend the money to deliver those goals, what they are going to try, how they are going to test it, and whether it then gets more money?

Joe Hill: I have never come across the “beyond budgeting” phrase before, but I can see what you are getting at. Certainly, for the avoidance of doubt, the model where you have to have accountability for budgets does not necessarily mean that it is going to be prescribed to you how you execute and use that. To me, that is not accountability at all; it is making someone accountable for a decision you have made. I completely agree on that point.

The model of ultimately devolving more decision making is good, be it formal devolution or driving it down out of the Treasury and down through Government Departments to the people on the ground who are best placed to make those decisions. Involving stakeholders in those allocation processes is key, particularly at a local level, but I am going to try to make space for the fact that someone ultimately has to be accountable. When it comes to the use of the public’s money, it might be a couple of people or a small group, but one of the challenges of getting good value for money, efficiency and making sure we do not have huge amounts of waste is making sure that there is a clear line of sight to who is accountable for that budget. That is my only hesitation with this model.

Nathan Yeowell: We can all be clear that for this to work, essentially the money has to follow the mission. It is not simply a case of the mission running around trying to work out what money it can just about get from the Chancellor at any given moment in time.

If we are going to take this seriously as a new way of thinking about Government, and no one is suggesting that the responsibility for the



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short to medium-term financial management of the country should remain with the Treasury, what is the role and mandate of the Treasury in thinking more expansively about the medium to long-term transformation of what we are trying to do and how we get there? That will be an interesting set of conversations, but we need to have them.

There are issues around how to embed that mission thinking into the structure of the Treasury so that it can be much more open-minded about it, day to day. It is also about operations, appraisals and those types of frameworks, so that it is concentrating not just on balancing the books—which it needs to do; I am not suggesting that we do not do that—but also on how we use public money to support the delivery of the five missions as they are currently set out and as they might be set out in two or three years' time or under the next Administration.

Growth is paramount here, but it also has a direction. There is a rate of growth that we need to be aiming for to ensure that the country is in a better state economically and financially. But it comes back to that word: what is the purpose of the growth of that economy that we are looking for, and how can the Treasury start thinking about how it directs the growth in how it starts dealing with other Departments and pushing things forward?

As I said, the CSR is coming up, so it should not take that much longer to find out to what extent some things have stuck. Later in the year, we also have the Treasury coming forward with its potential refresh of the Green Book rules and regulations, which will be thinking about how to get more money into the regions and outside London and the south-east and provide what money is available to some of the areas that need to just get cracking and do things differently.

Chair: I will bring in Richard Quigley and then Michelle Welsh.

Mr Quigley: Sorry, I will be very quick. I realise that I am monopolising a lot of time.

Joe, the point you are making is a very good one, but the multi-year funding deal is key. An example is new aircraft carriers. On a single budgetary year, they use a paint on the surface of the aircraft that wears off every year. Somebody has developed a paint that will last 10 years and dissipates heat, but they cannot fit it into the budget. If it were even a two-year budget window, they would be able to.

The phrase “public money” is becoming quite dangerous if we are moving into mission Government. Public money can stymie risk, because everybody who pays tax thinks that they have paid for everything 65 times over. Even if you pay a very high level of tax, you are not funding the MOD on your own. The phrase “money for public good” is something we should think about, because that changes or resets our relationship. Effectively, it is Government money—let us be honest—because the public have very little control over it, other than voting every four or five



years.

I will go back to the growth thing. There are two strands to growth in any business. You can pursue volume, which is what you see supermarkets do; if you are a smaller business, you can pursue value. As a country, we need to work out what we are pursuing, because one is quite extractive and the other can be for the good of the nation. I guess that is more of a statement than a question—sorry, Chair.

Chair: I will invite the panel if anyone has any burning comments. Otherwise, we will note that and open it up to Michelle Welsh.

Q27 **Michelle Welsh:** Anna, the missions are supposed to mobilise devolved and local government. How can this be achieved? What mechanisms are there to co-ordinate that within Whitehall?

Anna Garrod: And outside Whitehall?

Michelle Welsh: Yes.

Anna Garrod: The regional devolved governments are crucial to all the missions. The main challenge is aligning priorities across all tiers of government, which is notoriously difficult, full stop. There are times when policy differences—at devolved but also regional and local levels—come into play, and we can all think of examples in which Wales, Scotland and Northern Ireland have been on a different page from London. Political differences also come into play, and those tensions are incredibly important to tackle.

With the aim of empowering a system to work around a goal, how do you not say, “You have no choice in the goal. You must all be empowered to work towards it?” There is a danger that even in attempting to mobilise devolved, regional and local governments, it still feels centrally dictated. There is a question about whether this horse has bolted, but how do we come up with the idea—the “what”—of the missions in the first place, and how do you get that shared ownership? There is a strong case for saying that shared development of what the missions are in the first place would be the first hurdle in mobilising different tiers of Government.

I will leave Nathan to talk about devolved government in more detail if he wants to. Thinking about local government in particular, you are looking at a tier of government that is hollowed out in terms of funding and capacity: it is on its knees, and it does not then have the capacity, data or grip on technology to participate in the missions fully and in a way that would really see those missions being owned at a local level. Those are the key blockers.

What can Whitehall—central Government—do to overcome those blockers? We have already talked about upskilling, but we are interested in the sharing of skills and cross-pollination of ways of working and ideas. On a very granular level, what would it look like if we were to set up secondments between local and central Government mission teams to get



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that? We have already talked about that, cross-Whitehall, but how do we get that cross-pollination of skills and expertise? DSIT is looking at technology and AI and how to support central Government. What role is there in skilling up local government? It is difficult for local governments even to procure the support that they need to use technology well, so how can we be generous with that expertise as well?

There is then a real question around funding. Integrated settlements are a positive step in the right direction, but in the meantime, while local governments are still struggling to deliver business as usual, it is going to be incredibly difficult. Mission-dedicated funding must be freed up and sent down those tiers of Government if we are to mobilise successfully. I threw you with “devolved”.

Nathan Yeowell: You did a bit. I am not sure I have much more to add, actually. I have said quite enough already.

Q28 Michelle Welsh: I know that you have previously emphasised the need for buy-in at devolved and local levels. What happens if not all want to participate? Can they be made to? How do we ensure that?

Anna Garrod: This comes back to the shift from command and control to stewardship. In a mission-driven approach, nobody can be made to. This is an inherent risk. You are requiring people to participate, and the accountability levers—the sticks rather than the carrots—are just not there in a mission-driven approach. I guess the predominant stick would be demonstrating real success in one area, leading by example, creating a community of practice and energising local government around what can be done. This is an inherent risk in a mission; you cannot make different bits of the system do what you want. It is reliant on trust, collaboration and shared ownership.

Nathan Yeowell: I have a supplementary on this. It is quite interesting: I wonder whether the Government realise just what a signal they sent out last year. In conversations that we are having already with combinations of authorities, many combined or emerging authorities are already thinking about how they can come together to think about what the missions might be for—in London, for example, although it is not necessarily London that I am thinking about—and they are just getting on with it.

I always stress that the behaviours are the important thing. We can get het up about what the mission might be, at the moment or in five years' time, but I would almost say that the mission itself is immaterial. It is breaking the current system and making a massive shift in collaboration and behaviour that is important. There are combinations of authorities—definitely in England, and some in south Wales—that are already thinking about what the missions would be for their geographic unit over the next five years.



If we can get to a point at which, independently of what is happening at central Government, we have units of Government coming together to start thinking about how they work differently, there is a huge dollop of hope here. It will hopefully be much easier then to start thinking about how you can develop those connections across the country, because everybody is on the same page about needing to work differently and more constructively with each other.

Anna Garrod: The GLA is doing exactly that and is setting up parallel mission boards, with a sixth one around housing. I am unsure of the progress, as of now; this was in a previous life that I was having those conversations. A main driver was to be able to open up conversation with national Government and to shape and feed into national decision making. There are opportunities here for local areas as well. The relationship is not just one-way; it is reciprocal.

Q29 **Peter Lamb:** Nathan, you clearly have extensive experience of local government. Do you believe that the capability to tackle the mission successfully currently exists at local government level?

Nathan Yeowell: The honest answer is that some local authorities will still have the capability to do it, and others will not. Putting my councillor hat on, if my local authority in South Wales were expected to do this from the get-go tomorrow, the answer would be no, because things are being run on a fairly tight ship.

Probably not everyone around this table will be in favour of it—I completely understand that the reorganisation exercise that is happening at the moment might be taking people’s eyes off the ball, because we are trying to work out how we set these up—but this programme provides us with an opportunity to ensure that the wiring for local government can be future-proofed. If we are thinking about principles for mission-driven Governments and how collaboration and other behaviours can be baked into the new institutions from day one, it is going to be a struggle.

It is a massive challenge to many local authorities, especially as, understandably, the Government have chosen to prioritise the regional tier. We all need to remember that although we have been crying out for that strategic tier of Government in the country for at least 40 years, since the metropolitan counties were abolished, the reality is that for most people the interaction is with their local authority. Local authorities will be the service providers for most important services that they need, so we cannot forget that we need to ensure that local government on the ground is in a position where it is not going to fall over.

Q30 **Peter Lamb:** From a financial perspective, I have lost count of how many councils have already issued section 114 bankruptcy notices. Another 14 are expected to issue them in the next 12 months. Regardless of what is said about reorganisation, it is going to take some time to deliver. The evidence from where it has already been undertaken is that essentially there are no savings to be made, because core services are so low to



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start with. Without a greater funding assessment, is it possible to take on these more significant tasks?

Nathan Yeowell: Possibly not. I would need to look at it on a case-by-case basis.

- Q31 **Peter Lamb:** In terms of the integrated settlements, it sounds interesting, but with an authority of 9 million people, in London's case, the question is whether something that is viable on that footprint is really going to deliver in my neck of the woods, where we have about 2 million people and a completely different healthcare footprint. Is it going to be possible to have that overarching budget outside London or the core cities? Is there a different road map that we could point to?

Nathan Yeowell: I do not have an answer to that today, unfortunately.

- Q32 **Peter Lamb:** On reorganisation, the missions have a five-year time span for the Government to introduce, really. My area is an early-adopting reorganising area; we have one person in the area to thank for that. Even at an early-adopting level, it is going to take us two years before we get through to the new structure. I can tell you that the only thing going through the mind of anyone at local authority level right now is reorganisation and not delivering on any other metric. So for areas that know that this is coming down the line but is going to be padded out for another few years, is reorganisation at this time really going to be the best way of delivering on the Government's missions?

Chair: Does anybody want to dive into that challenging question?

Nathan Yeowell: I am not here to defend the Government's record on this. My personal preference would be to rationalise local government across England and Wales so that we will be in a much easier position to integrate and work towards these issues at the local, regional and national levels. I completely hear what you are saying, though, about the pressures that will be affecting individual councils.

- Q33 **Peter Lamb:** My argument was really focused on timescales rather than the overall principle.

On the question pertaining to local democracy or buy-in, we have just had a set of local elections, so let us take those as an example. One of the missions is trying to deliver clean power by 2030, so we have a fairly tight timetable on that. We have a party that has been elected in much of the country that does not believe in climate change, as far as I can tell, or at least does not think that it is worth tackling. If delivery is expected to be undertaken at the local level, do we think that this might have an effect on outcome?

Joe Hill: This is not my specialist area at all, but yes, very plausibly it will have an effect on outcome. You can see, in early steps and statements from some Reform UK-led areas around the investment of their pension portfolio and the kinds of sustainable energy investments that they will support there, for example. But in lots of areas that could



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go further, because there are huge areas of devolved policy responsibility, which matter particularly around the planning system and the building of national energy infrastructure.

There is a profound tension here. This is an area in which, for a long time, advocates of devolution have sometimes said, "We can have it both ways: it will always work for whatever, and devolution will also be good for growth and health." In many cases that is true, but clearly in some areas it will not always be.

Less consensus is probably part of the price that the state will have to pay for devolution, particularly in regional governments and areas around national policy. We have already seen that during the covid pandemic, with Whitehall taking a different view from the devolved administrations on some public health policy, and we will see that at a more local level.

Personally, I think it is a price worth paying for a more representative democracy and a more devolved settlement. We are a huge outlier in how centralised our state is, but it absolutely creates challenges for these big missions that require that level of collaboration. All three of us on this panel have just been saying that it is crucial. I hope that parties and particularly local leaders will find a way to work around that on big national missions, but they may well not.

Anna Garrod: Just to propose the converse, if we were not to pursue mission Government at the moment, what hope would there be for central Government to work with those local authorities that might have divergent views about the existence of climate change or whatever issue?

The point is that, yes, mission Government requires a certain level of consensus, but it is also potentially the most powerful way to build that consensus. That might sound optimistic, but it is grounded in evidence that opening up conversations about policymaking generally leads to a point of consensus, rather than polarisation. Done carefully, mission Government could build bridges between local government and central Government, even where there are different political views or policy solutions, though it will be challenging and is not the solution in and of itself.

Q34 **Peter Lamb:** We are going to explore this in more detail, but my next question is how big a challenge a collaborative approach between different tiers of government presents to Whitehall's culture and ways of working.

Anna Garrod: We have just covered that in detail.

Q35 **Peter Lamb:** Do you think Whitehall understands different tiers of government in the UK, how they operate and what their purpose is?

Anna Garrod: The question would be "If they do understand, are they acting on it, and does the behaviour there demonstrate understanding?" At the moment we would say not.



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We have talked about how funding, accountability structures and policymaking processes all face inwards, within Whitehall, and the behaviour of central Government does not demonstrate an understanding of the priorities of local areas. There is a patchy understanding of the priorities of devolved government as well. We have seen those conversations with local areas play out over the past 14 years in particular in discussions around funding, austerity and the approaches to fiscal challenges.

Q36 Peter Lamb: Looking at the proposals for devolution, if you go to any local area and ask the public or their elected representatives what they want, the answer has never, in any area that I have ever encountered, been an elected mayor. There are many proposals for devolution, but an elected mayor is not one of them. To what extent is the version of devolution that we are seeing a model of Whitehall trying to reorganise local government for its convenience, rather than genuinely bottom-up redesign?

Anna Garrod: I am not in a position to comment on that today, but it is an interesting question when framed in consideration of the mission approach, with that move away from command and control to stewardship. I will pass over to other members of the panel.

Nathan Yeowell: I hear what you are saying, very loudly. I guess for those of us who have been together in this vanguard for a very long time, if you have been arguing for devolution over many years, there is actually a moment now for the Government to act on it. We do not want to get to a position, at five minutes to midnight, of "Actually, I don't like what you are offering."

Would I personally argue that the country has been crying out for mayors, sheriffs, governors or whatever they might be called in some of the shire county areas when they emerge? No, because you are right: it is not something that the people have been clamouring for on the doorstep. We have now had this model in place since 2013 or 2014, since the first elections in Manchester at least, because obviously the Mayor of London is a completely different beast.

If the route to beginning a potentially more genuine set of relationships between local and the emerging regional tier of government is to agree and go along with what the Government are discussing, because they find that it is easier for this place at the moment to start having that relationship with a significant senior figure in a regional area, my personal view is that that is a price worth paying to prove the point that greater contestability at a local and regional level is important for the lifeblood of politics, but also for the delivery of those services that people genuinely need. With the greatest respect, service delivery decisions should not be taken in central London to the degree that is happening at the moment.

Q37 Peter Lamb: I agree with a lot of that. I have a final question, for any



member of the panel with an interest: do you believe that Whitehall understands that local and regional government has an independent mandate from it, rather than existing as a delivery arm of central Government?

Joe Hill: In terms of how Whitehall acts and relates to local and regional government: in formal terms, yes, but often in revealed preferences, no, as Anna was saying earlier. Where the rubber really hits the road, and where it is most acute, is around public money and public funds. Because we have devolved more responsibility and certainly more accountability through excessive statutory duties for local government, but not reorientated funding—the tax base overwhelmingly comes into central Government rather than local government—we have created a system in which local government is incredibly reliant on central Government for funding in order to do the marginal new policy idea or have more capability, as we were talking about earlier.

When the Treasury and MHCLG want to either build capability or, more commonly, just drive one of their own policies through local government, they write these big grant agreements. I do not know whether you have heard about this, but they often have very excessive numbers of key performance indicators and reporting requirements. Local and regional government has its own mandate and responsibility, but equally central Government feel that they have that mandate and responsibility over the money that they are handing over. That is where the real tension is.

One of the key areas, to put things on a more level footing, will be fiscal devolution. Given the state of the public finances, that is incredibly hard. I do not dumb down that challenge at all, but it is one of the bigger and more formal things that we have to do to get out of this cycle of “Well, here’s some money, but it comes with some conditions on it,” which is not recognising the mandate that local government has from the public.

Q38 **Sam Carling:** Just to bring it back to specifics, we are talking about the difference between regional tiers and council-based local government. I guess this is quite an open question: where do you think it is better to try to place accountability for delivery of the missions? Do you think it depends on the mission? For example, with “Safer streets”, is it better at the council level, whereas you could argue that growth could fit with either? How do we decide where it best fits?

Anna Garrod: It comes back to the point that each mission will look individual, and the answer is going to be different depending on the aim of the mission, but also on how the mission is developed. The idea of placing accountability is also really interesting: how could we move to a conceptualisation of mission delivery that is about shared accountability? Previous attempts to deliver similar ways of working have failed because we attempted to divvy up accountability. If we share accountability and acknowledge that no one actor in the system—local, regional, devolved or national—is able to deliver these missions on its own, it becomes less about divvying up accountability and more about thinking about what



data and insights we are attracting from the system at every level, so we can then assess whether the mission is doing what it needs to do overall.

That is not to say that once activity plans have been agreed, people cannot be held to account for their elements, but in terms of overall success, we have to move away from thinking, "This is for you, and this is for us, and we are just going to go off to pursue our own ends."

Q39 Richard Baker: I have further questions about what other actors are going to be vital in delivering the missions and how they will be involved in this work. My questions relate specifically to the role of the private and voluntary sectors and how they can be incentivised to contribute to achieving the missions.

Anna touched on this earlier, saying that you did not want to have boards that had too many organisations and were top-heavy, but how then are those vital actors in both the voluntary and private sector involved? The Charities Aid Foundation, for example, said that there should be philanthropy champions on the boards, reflecting work that Pro Bono Economics have done about the importance of incentivising philanthropy. Then we also have, for example, the agreement that the Government are taking forward around the civil society covenant framework. So if they are not to be on the boards—or is there a question that perhaps they actually should be at that level—how will they be equal partners and incentivised to play their role in delivering these missions?

Anna Garrod: In my past, I have worked in philanthropy, very much focused on the interface between the private sector and civil society, so this is an issue close to my heart.

Taking the private sector and civil society separately for the moment, the private sector and business is going to be vital across all the missions—obviously in a very material way in terms of growth, but also when we think about health. We are increasingly making the case that action on health is not just vital in and of itself, but vital for growth. It is entirely in the interests of British business that our workforce is healthier and able to stay in work. British business and industry have a huge role to play, not only as employers in shaping the workplace—it is where people spend the majority of their time—and how that contributes to health, but also in how they are contributing with their ideas, skills, innovation and finance. That applies to investors, too. Business should not be seen as just a partner in this, off to one side, or in terms of the investment that we could harness from the private sector. It should be seen as a driver of the health, social and financial outcomes that we want to see.

When we look at the state of industry or British business, we see a really fragmented ownership structure. Fewer than 50% of businesses are wholly British-owned. Aligning around a national mission is therefore going to be really challenging. Our governance structures are set up to encourage short-term thinking about share price fluctuations, rather than those long-term goals. When we think about the roles that large



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businesses can play as anchor institutions in place, we need to have a similar conversation at a national level here as well, treating businesses and industry as anchor institutions in delivery of the missions.

There are regulatory factors you could bring into play to encourage the businesses themselves to buy into those long-term social missions. I am thinking about the directors of businesses, and placing requirements to take social environmental factors into account. The debates around those impact investment and ESG drivers are really well rehearsed.

But it is also about the Government themselves and how they engage with industry. I have mentioned before that it is very difficult for industry to speak with a united voice: we have the Federation of Small Businesses, the CBI and the chambers of commerce. But when we have a shared conversation among business, Government and trade unions—a really important factor in all these conversations as well—and we embed a modern corporatism in how we are having those conversations, you can have really powerful results.

The key is aligning around shared aims. Within the missions, for example, you can clearly have a really cohesive conversation around a healthy workforce. Furlough during covid was an example, where businesses, trade unions and Government had entirely shared aims, sat around the table and made decisions very quickly, with fantastic impact, so it can be done. The key would be uniting those voices of business and having that conversation, while being aware that they are going to be drawn upon across all the missions, so you are not fatiguing them through that engagement. It is also about articulating a shared outcome that is valuable for business and industry as well as Government in terms of how we frame the missions.

In terms of civil society, there are similar issues to local authorities here: it is a sector that is on its knees in terms of finances and capacity. Some 80% of civil society organisations have an annual income of less than £100,000 a year. That is an incredibly expert, hugely important sector, but it is lacking the ability to talk on behalf of itself in a coherent way. We have the national representative bodies like NCVO, but with the financial constraints over the past 14 years in particular, we have seen local civil society infrastructure organisations being stripped out. So how do local authorities engage with civil society in their place if those infrastructure organisations are just not there? We need to think about investment in civil society. The civil society covenant plays a really important role, but, again, that is at national level. For civil society to be active partners, we need to think of every tier, like we did when thinking about the tiers of government.

Finally, there is the role of civil society in delivery of missions: like business, the value they can bring is both as service delivery organisations, as real experts on their issues, and as advocates for change. We need to make sure we are creating the fora to draw on civil



society expertise and avoiding those conflicts that there may be around civil society and service delivery organisations and procurement decisions at local area level, but also that we do not hinder criticism about the direction of travel. We know that that is a difficult balance to strike.

- Q40 Richard Baker:** I just want a clear picture of how those key actors are going to be involved structurally in the work. It seems that there are some real capacity issues here, in both civil society and industry, with how they engage at a strategic level in the work of the missions. What does that look like structurally? The submission that we had from the Greater London Authority, for example, talked about involvement of those organisations and those actors in the boards themselves. You suggested that there would be other ways of achieving that involvement, but what would that look like? Once you have answered, I am happy to have anyone else's thoughts as well.

Anna Garrod: Demos recommended—I think you may have recommended it as well, Nathan—that mission councils be established to sit alongside mission boards, bringing together those external voices and stakeholders. We are very interested in citizen panels to sit alongside them as well; we think that is really interesting, and maybe we will come on to that shortly.

Nathan Yeowell: Yes, we are in favour of that as well, but I do not have much more to add. The key thing is not being too prescriptive about how any of these extra bodies might be set up. When you start thinking about it, depending on the mission or the level of government at which you are trying to bring people together, the question is actually, "What is the most appropriate way forward?" If we are thinking about how to ensure that there are local or more regionally inspired missions and decisions talking about how they work, it is about getting those organisations—be they public, private or social sector—in the room early enough that they can start kicking around their ideas about what the issues that need to be addressed are and how they can help out.

- Q41 Richard Baker:** That leads me neatly on to my next question. We want to know more about what popular engagement in mission Government will look like and how it can be embedded in the policymaking around the work of the mission. Anna, you have just mentioned citizens panels. We have had a lot of discussion over many years around citizens assemblies. What do they look like? What is effective citizen engagement around the work of the missions? We have taken nascent steps towards participatory budgeting, for example, around key local authority proposals, certainly in Scotland. What does popular engagement look like and how can we achieve success with it?

Anna Garrod: Yes, yes and yes to all the things you have just mentioned. In line with a mission approach in general, holding the "what" firmly but the "how" lightly, there is a huge potential for a range of participatory approaches to be embedded in mission Government. Demos has done loads of work on this, thinking about our citizens' white paper



and other more concrete examples on specific policy issues; I mentioned house building earlier.

But to what end are we participating with people? It is absolutely not going to be so that everybody in the country can reel off the Government's five missions; it is really important that it is not a blanket approach. One useful framework to think about popular involvement in missions is the level to which we need shared awareness, shared engagement, and then laddering up support for the mission. Where is it really important that we have the public on side with decisions that the missions are making? Then it is about moving from passive to active support, for example thinking about the role of civil society. Volunteering is a crucial role that the public can play in civil society, but also, excitingly, in the delivery of Government missions.

We are not very good at mobilising vast numbers of people towards common goals. We saw that during covid, with various volunteering schemes that were announced with great fanfare and then never got off the ground. We need to be thinking about data and technology and how we involve citizens, both in volunteering and in those touch points to feed in and gather those rabbit—no, not rabbit—rapid feedback loops. I like the idea of rabbit feedback loops, though: I am a proud rabbit owner.

So it does not need to be one size fits all, and Government does not need to be entirely on board with or involved in every decision, but we need to embed a range of approaches.

Q42 Richard Baker: So this is engagement at the community level around specific local activities and programmes that support the overall work of the missions.

Anna Garrod: Absolutely, but also brokering those challenging national conversations. We have seen participation work really well in Northern Ireland. Where Government feels hamstrung, is it—I do not want to say the words—but is it more austerity? Is it tax rises? What are those fiscal rules? How do we navigate our way through the application of those and whether they need to change? Public participation can actually be a hugely empowering force in that.

Nathan Yeowell: It is the role of people in this room too—the very important role that politicians play in convening people and organisations together on your individual patches. But you also need to be confident enough to know when you might not be the right person to convene some of those groups or people together for the specific mission issue at hand. It is about being able to bring those people together to have that conversation, whether the politicians are convening it or not.

Q43 Chair: Perfect. I just have a final question on test and learn, because we have not discussed it yet. Do feel free to be brief in your responses. I will put the question to Nathan first, and then we will wrap up.

Where test and learn has worked very well is in the start-up culture and



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in industry. Nimble, small organisations can pivot very quickly. That is not a description that anyone would necessarily apply to the civil service, as wonderful as it is. We know that the adoption of a more iterative test-and-learn approach to policy is popular in the Cabinet Office. Briefly, what do you see as the major obstacles to embedding that approach culturally in Whitehall?

Nathan Yeowell: There are three or four barriers there. I will try to be very specific and just give you the bullet points. One is the continuation of a risk-averse culture coming out from the sponsoring Departments. They need to take a step back and have a greater appetite for risk, with the realisation that things might not happen in the way they expect them to. It is a question of how you can change that perception and behaviour.

The second is where inflexible HR and other rules and regulations exist. We need to find a way of cutting through those to allow the best individuals on the ground to just get cracking and do what needs to be done.

The third is an issue we have touched on before: the continuation of linear programme management and linear funding pools. Essentially, the whole point of this is giving sufficient trust to the people leading on these projects if pots of money are made available to go out there and make the calls they need to make, be it convening organisations locally or working out what the best way forward might be.

The fourth, coming back to Anna's point, is trying to ensure that we can think of more novel engagement structures as this work is being taken forward. Crucially, this also means talking to some more established organisations in those areas where you are working, to ensure that nobody is trying to kill the innovation that is happening because it is not necessarily being done by them.

The last thing I would say is the process, and the engagement point is key. It is about how you ensure that there is this feedback loop and that the engagement and dialogue is kept open and constant between all the actors and players working on these pilots.

Chair: Thanks very much. Do you want to come in briefly, Joe?

Joe Hill: Just super quickly. The important missing word and missing concept in all of this is scale. Government, and particularly central Government, are testing things all the time, but they are learning very little from that. They are almost never scaling up what they learn and scaling down things that are not working.

It is a feature of the political economy of Westminster and Whitehall that most pilot projects are designed because the Government feel they need to design them: they are publishing a strategy and need to announce something, or something has gone wrong and they need to say, "We're doing something about it." So they decide to do a very small, very



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funding-constrained version of the thing that probably they would ideally like to do on a bigger scale, and they call it a pilot.

They spend relatively little time ever evaluating that or setting up what they are trying to achieve and how they are going to do it. Too many of these pilots have no evaluation funding at all, and many of them do not even have clear objectives. Then the routes to scale are very challenging. You frequently get a pilot in Government that shows some success and early promise, and then the time-limited funding cuts off and there are no other buyers in Government who are willing to fund it, so it stops.

The Government need to think carefully about routes to making sure that they learn from the things they are doing, and that they spend time scaling them. When every pilot takes many years, and every business case takes about a year to sign off and things like that, that obviously makes it harder. A key part of test and learn is speed: the speed of starting testing something, the speed of stopping if it is not working, the speed of learning from it, and the speed in the decision of scaling-up. To some extent, if all that is going to take a very long time, you might as well not bother.

Chair: Thank you. A final, very quick question from Richard Quigley.

Q44 **Mr Quigley:** I will be very brief. I have crossed out everything I was going to ask. I will probably have to take you all out for a gin and tonic to carry on the conversation.

Are the Government listening to what you are saying, your answers to our questions and the advice that you are giving?

Nathan Yeowell: Yes. You want us to be brief at this point in the day, do you not?

Chair: Yes.

Joe Hill: Yes, but I would say it is mixed, and again the proof is in the pudding. I do not very much care for, "Were you invited to come and meet and talk about it, and what did the announcement say?" When the rubber hits the road, when these things are uncomfortable, what is the revealed process? With contracts that are a bit more susceptible to test and learn and scale, are we bringing in the kind of external talent that is going to help with that? Are we willing to be a bit more flexible on things like salary, which has been a real burning point in Whitehall, to do this? Are we going to learn from risk?

On test and learn specifically, you have to look for signs that will really tell you that it is working. One of the signs is if we start to get senior officials coming in front of Committees like this and saying, "Yes, we tried that, it didn't work very well. We've published the four-page—not much longer—evaluation and you are all welcome to see it. We have decided we are going to stop doing that and we are going to do something else,



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and we did it all within one financial year, very quickly.” We have to wait and see on that.

Chair: Brilliant—thank you. On that note, I will bring today’s evidence session to a conclusion. I thank all our witnesses very much for your very comprehensive and knowledgeable responses. You have given our inquiry a great start and given us lots to think about. Thank you very much for your time.