HOUSE OF COMMONS

Public Administration and Constitutional Affairs Committee

Oral evidence: The Civil Service Commission, HC 1314

Tuesday 16 March 2021

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Watch the meeting

Members present: Mr William Wragg (Chair); Jackie Doyle-Price; Rachel Hopkins; Mr David Jones; John McDonnell; David Mundell; Tom Randall; Karin Smyth; John Stevenson.

Questions 1 - 49

Witness

I: Ian Watmore, First civil service Commissioner.

Examination of Witness

Witness: Ian Watmore.

Q1 **Chair:** Good morning and welcome to a hybrid public meeting of the Public Administration and Constitutional Affairs Committee. I am in a Committee Room in the Palace of Westminster with a small number of staff required to facilitate this meeting, suitably socially distanced from one another, of course. The witness today and my other colleagues are in their homes and offices across the country.

Welcome to Ian Watmore, the First civil service Commissioner. This is one of the Committee's regular accountability sessions with various bodies within our remit. Moving straight on to the questions, the memorandum of understanding with the Cabinet Office requires it to ensure that the Commission is adequately resourced. Has it done so during your tenure as First Commissioner?

Ian Watmore: Good morning, Committee members and Chair, and thank you for inviting me. It has been a while since I appeared before this body, and I am very grateful for the opportunity.

We have a team of about 11 or 12 commissioners, who are all part-time, drawn from across a range of business and public life, and then we have a

staff of about 18 full-time people. When we are at that level we are fine, because that is the adequate number for the workloads that we deal with.

Temporarily we have a shortfall. Four of our commissioners retired because their five-year terms were up, and Covid has delayed the recruitment of their successors. It is urgent that we now get on with that and recruit their successors, and I will be taking it up with the new director-general in the Cabinet Office later this month.

Secondly, our chief executive has extended his personal retirement plans so that he can continue to cover during this period, but again we need to recruit his successor.

Then there is the job of my own succession. I finish at the end of September, and the process for my succession has to be started. That is not for me to talk about, but it took most of a year to get me appointed so it is one of those where it is best to get on with it.

In the generality, we have the commissioner and staffing resources we need. In the specific, we have had some recruitment delays caused by Covid that we now need to catch up on.

Q2 **Chair:** Beyond those recruitment delays, are there any issues or impact the Covid pandemic has had on the work of the Commission?

Ian Watmore: Not in the output sense. Obviously, we have had to change the way we do our work, like everybody else. Our interviewing has had to go from in person to Zoom. Our staff are working from home. We have been unable to travel around the country. We were always very good at getting out and about to Edinburgh, Cardiff and places to ensure that we were covering the whole country and not just London. That is obviously more limited. Those things have handicapped us.

The workload has surged as Departments have had to deal with the crises themselves, but I am very proud of the way the team has reacted to that with flexibility and sensitivity. They have done a great job in enabling the Whitehall machine to get the resources it needs when it needs it.

Q3 **Chair:** It is generally accepted at senior levels of the civil service that there is a lack of capability in key areas such as digital, commercial and project management. At your pre-appointment hearing before our predecessor Committee, you said your priorities included increasing the range of skills among the civil service leadership. Yet recent appointments appear to demonstrate the continued dominance of the policy route to leadership. Do you agree that this is the case and, if so, why?

Ian Watmore: I am not sure I do agree that is the case, taken in the round of all the appointments to the senior ranks of the civil service. I came from the private sector into the civil service as a director-general, and I later became the Permanent Secretary. The more common route is to come in at a director or director-general level and learn the trade inside government and then move up.

The evidence is that there have been a lot of recruits like that. A lot of my colleagues, fellow commissioners, lead competitions at director and director-general level to appoint people with commercial skills, cyber skills, project management skills and digital skills, as well as the teams that have been grown from within. Some of those people go on to rise to the top of the Department; for example, Stephen Lovegrove, who is now in his third Permanent Secretary role having originally joined the civil service from the City. Charles Roxburgh, who is the Second Permanent Secretary at the Treasury, spent most of his career with McKinsey. We have a number of people who have come in from the outside, from academic life or scientific life, to serve the Government, whether that be the Chief Scientific Adviser, the Director of Public Prosecutions or the National Statistician.

There is quite a broad range of talent across the top table, including those who spent the predominant part of their career in the civil service.

Q4 **Chair:** You give some prominent examples. Are you saying that there is more of a general move to this because, of course, there are many more Permanent Secretaries than there are the examples that you gave?

Ian Watmore: There are about 40 Permanent Secretaries, and I would have to go through them one by one to analyse their predominant backgrounds. I would think that seven or eight are predominantly not from a civil service background. Another small number will be from places like ambassadors or the NHS, and the rest will be predominantly from the civil service. That is probably a more diverse skillset than there has been at any point in history.

Q5 **Chair:** Is there a point at which you would judge complete success in that programme, in terms of the numbers in those key positions?

Ian Watmore: I do not think so, because the point I would make is that to be a leader in the civil service, particularly today, requires an extraordinary breadth of skills in terms of the backgrounds that people have. Very few people from the private sector—I would have counted myself as one of those—could parachute in and run a Government Department, because the way Government Departments work is so different.

The right model is to encourage people from the private sector to come into the civil service, learn their trade, work with their colleagues, and then some of those people will show the right aptitude and experience to go and run the whole Department. That is the model that works the best.

Q6 **Rachel Hopkins:** Mr Watmore, another of your priorities was to improve the diversity of civil service leadership. The proportion of women in senior roles has continued to rise, but the representation of people from black, Asian and minority ethnic groups or disabled people has proved tougher to address. Why has this been the case, and what steps do you think your successor can take to address it?

Ian Watmore: I agree with the premise behind your question. We have had good progress at the top levels of the civil service, at Permanent Secretary level, on gender. It has been a much tougher nut to crack on BAME and disability candidates, but let me see if I can explain.

When I took over, back in 2016, I think there were 10 women Permanent Secretaries out of 40; we now have 18. That has been a significant increase, and six or seven of the last nine appointees have been women. We have not just success but a continual pipeline of talent coming through the system so that, when one leaves, we have more than one ready to replace. That has been the culmination of probably 20 to 25 years of pushing hard at this.

When I joined the civil service in 2004, you would talk to the women Permanent Secretaries then and they all knew the number in history that they were the Permanent Secretary. Now it has become much more mainstream, not quite at 50:50 but very close.

The reason why it takes a period of time for that is because you have to ensure that you are unblocking lower down the routes, which is typically where the problems lie. For example, with women in the past it became a problem getting into the SCS. Once that ceiling is unblocked, it then takes a number of years for them to progress through the grades and the experience levels to come through as Permanent Secretary. Then, like all other walks of life, they are under extra scrutiny to prove that they can do it and it just takes time to come through. But they have all achieved great things, and it is a great success of the modern civil service.

With ethnicity in particular, we are probably back into the place where we were some years ago on the gender pipeline, where we had blockages at particular key promotion points. A lot of work has gone in. I say "we" being the royal "we". The civil service has put a lot of work into unblocking those. We are now starting to get more people from BAME background in the senior civil service at the director and director-general levels, but it takes time for them to work through the system in order to become Permanent Secretaries. That is why it has defeated my efforts. We have been pushing at this very hard from day one. I have appointed two outstanding black commissioners, who are utterly brilliant, who have been assisting and advising across the piece, and there is progress but not at the top table.

When you get to experienced recruits at the top table—again back to the point I made earlier—people have to have the skillset to do the job, and they have to want to do the job. A lot of talented people are put off by working in the public sector for whatever means, or they have brilliant skills in the private sector but they have not come across and done their learning in the system to progress.

We have not been able to recruit at the top levels for that reason. It is making progress, but it does not look like it at the very highest level. Many of my comments would apply to disability as well.

Q7 **Rachel Hopkins:** You talked about blockages further down the talent pipeline and not wanting to work in the senior civil service. What actions have been taken to tackle those issues?

Ian Watmore: Again, predominantly this is the civil service leadership and HR, the team that is responsible for this. The Commission is there as a regulator, not somebody to deal with these matters directly, but my understanding is they have been doing a number of things, a lot of mentoring to encourage people with talent to accelerate up through the grades faster. There has been a lot of training on unconscious bias. There have been a lot of meetings, particularly following Black Lives Matter last year when people have been questioning their own potential unconscious biases.

A range of things have been done to improve, namely blind applications, all those sorts of things. In terms of attracting talent, the system is trying to broaden its range of search agents and people who have different networks of potential recruits, as well as doing events like ones my commissioners do, which try to showcase what a wonderful place the civil service is to work; how, if you are good at something, there is no better or bigger stage on which to ply your talents, at least in this country. Reward is not always mentioned in financial terms. It is mentioned in social worth and personal self-esteem. You can get fantastic rewards in the wider sense in the civil service, and that is part of the pitch to people who have the skill but do not necessarily see us as a career destination.

Q8 **Rachel Hopkins:** What about attracting people from lower socioeconomic groups and their promotion into the senior civil service? What progress has been made there?

Ian Watmore: This is something I am personally very pleased with. We took an approach right when I started in identifying four big priorities for the civil service, and one of those was what we called our life chances programme to give people opportunities for employment in the system that otherwise would never realistically have happened. I drew on my personal experience of working with John Denham as my Secretary of State, when we had responsibility for apprenticeships in the country, a very important political policy that is now cross-party supported, at least the generic apprenticeship approach is. Yet we found we had no apprentices in our Department, and handfuls only in the whole civil service.

John and I set about making a change. We both recruited one apprentice into our own offices and two, in that case, became five, five became 10, and now it is a mainstream approach and thousands of people are being employed every year as apprentices in the civil service. That has been great for the service and great for a whole group of people to have career opportunities.

We thought we would take the same model and apply it to some of the more difficult-to-place groups. We started with ex-offenders, care leavers and military veterans; they were the three groups that we targeted. You

can imagine getting somebody employed from prison into the civil service. It might be something you can nod to and say good idea, Government policy, yes, but there are a squillion obstacles in the way, a bit like there were with apprenticeships 10 or 15 years ago. We knocked them all down. We got the first two people in—a man and a woman from the pilots we did in the north-west of England—and I now believe we are up to 62 offenders in employment with us, and another 20-plus waiting for the right role to emerge to be put into jobs. I know the Timpson company well, and we are trying to catch them up. They are an inspiration.

Similarly with care leavers, the Department for Education piloted that. Brilliant job. I managed to have the opportunity to stand on a stage in front of them, and it was just breath-taking to see such talent and enthusiasm in the system that almost certainly would never have come through. Similarly in the military veteran phase, which is partly from this programme and partly helped by the Government's push on this after the last election, we are now starting to see tens of people coming out. I do not mean four-star generals to run the MoD, I mean regular, mainstream, rank and file members of the military who are now getting good opportunities in the civil service.

All of that, to me, is doing multiple things. It is providing life chances to people. It is improving the civil service by giving it access to the lived experience of people, and it is hitting multiple diversity challenges from socioeconomic, ethnicity, mental health and so on. It has probably been the thing I am most proud of in my time.

Q9 **Rachel Hopkins:** With some of this progress, are you seeing differences between different civil service Departments? You have talked about some of the examples, but are they across all Departments?

Ian Watmore: That is a good question. Some of the things I have talked about more naturally lend themselves to the big battalion Departments, the obvious examples being DWP and HMRC. People have a view that the civil service is very London-centric. It is not. There are 420,000 or so civil servants, 80% of whom are outside London, because the vast majority of people who are civil servants are jobcentre clerks, tax advisers or prison officers, those sorts of people, who are right across the country, wherever the job is.

Some of the recruitment opportunities are better in those Departments than they are in the smaller policy ones buzzing around Ministers in Whitehall. Some aspects of it will be naturally skewed.

In my experience—and I occasionally go in front of the full so-called Wednesday morning meeting of Permanent Secretaries—the Permanent Secretary group is large and very supportive of what we are trying to do here. Several of them champion different aspects of it, so I would say there is a shared leadership ambition for this but probably most volume occurs in those big battalion Departments.

Q10 **Rachel Hopkins:** What do you think are going to be the most pressing challenges for your successor?

Ian Watmore: Obviously, it slightly depends who it is, and I do not mean that just to be trite. It is a very interesting role, because you are looking for somebody who understands how it works from the inside but who also has a freshness of experience from the outside.

I was lucky to have both. I had a predominantly private sector career and then seven years in the system as a Permanent Secretary working for Blair, Brown and Cameron as Prime Ministers. Then I had a couple of years out with my wife when she was moved to be the vicar of a little village in Cheshire, so we went to do our Dibley-esque life. Then I came back to do this role. I had that mixture of perspective.

If somebody has that breadth of perspective, they can hit the ground running; they can decide, like I did five years ago with fellow commissioners, "What are the key priorities that we need to face?" and then drive them.

If they are not from that background, they could find they have a bit of a learning curve just to get inside the system. Probably the first six months would be to understand how it all works and where they can make a difference. I would always recommend for somebody in my role, if it is possible, finding somebody with that hybrid background so that they can hit the ground running.

Clearly, the agenda from October onwards is going to be driven by coming out of Covid in a whole variety of ways: new Departments have been building up; the public health response in DHSC. There will be a lot of appointments that have been made temporarily that need to be either rolled back out of the system or made permanent for the longer term. There will be a realignment of priorities as Covid shifts from predominantly a public health situation to an economic situation, and then you overlay Brexit on the back of that and the whole foreign and Global Britain agenda.

They would be some of the things that are inevitably going to drive it, but for the rest you have to take a long-term view on the civil service, deal with the big issues of the day with the Government, and then be flexible as things crop up along the way.

Q11 **Mr David Jones:** There has been a significant turnover in the number of Permanent Secretaries over the last 18 months or so. What would you say is the reason for that?

Ian Watmore: I get asked this quite a lot. The numbers are not actually in support of that. There was quite a lot of rhetoric about it, certainly in the various briefings in the press. As most Permanent Secretaries are appointed for five years and I, in my role, have five years, you would expect that if there was a particularly rapid churn I would be doing people for the second or third time, and that is not the case. I have literally just

seen through almost every Permanent Secretary cycle once over that five years.

In terms of numbers—I was just checking that—excluding the Cabinet Secretary role, which you may want to talk to me about separately, since the current Prime Minister became Prime Minister, we have had nine or 10 Permanent Secretary changes. Given that there are about 40, you would expect, on average, eight a year anyway with a five-year term. The churn has not been numerically greater. They have perhaps been more of the high-profile Department appointments, but the numbers do not stack up.

Q12 **Mr David Jones:** It is not just a question of the higher-profile Departments, it is also the manner in which some of those Permanent Secretaries have departed that may tend to give the impression that there is a higher turnover than usual. Are you telling the Committee that this sort of thing happens pretty well all the time?

Ian Watmore: I would agree with your point about the nature of what was described about some of the departures making it appear more frothy than it is on the numbers. What I am saying is that there is nothing statistical to suggest that we have a higher churn of Permanent Secretaries than normal, and it is our expectation to do eight to 10 a year, and that is in line with what we are doing.

Q13 **Mr David Jones:** Are people departing early, before the end of their five-year term? Is that relatively usual?

Ian Watmore: Not many have. I am just going to refer to a list that I scrawled. This will not take a second, there are only nine of them, if I just rip through them.

The Northern Ireland Office, which happened in November 2019, was on Jonathan Stephens's retirement after many years in the role. Communities and Local Government happened in March when Melanie was appointed as director-general of Ofcom. She was very near the end of her five-year term anyway. There was an HMRC appointment that came about directly because Jon Thompson had retired after five years. BEIS was then appointed because Alex Chisholm went to the Cabinet Office, and the Cabinet Office vacancy happened because John Manzoni retired after five or six years. The FCDO, as it is now known—the Foreign Office—was after Simon McDonald completed his five years, and then they merged DfID with the Department and created one new role.

There was a Second Permanent Secretary at ONS, Office for National Statistics. It was a brand new role created because of the complexities of Covid and Brexit, and so on. Then DfE, which is probably the most high-profile one press-wise, my memory is—I would have to check the details—Jonathan had done four and a half years out of his five before he left for whatever reasons.

The Ministry of Justice was the next one. That came after Richard Heaton completed his five years and retired. Then we have the Government Legal

Service, which is another one that was caused by a resignation over the—I would hate to put words in a former lawyer's mouth—Bill before Christmas.

The final one is the Ministry of Defence, which is not announced yet. We have completed the competition. It is with the Prime Minister for decisions. The reason for that one is because Stephen Lovegrove has been made the National Security Adviser to replace Mark Sedwill.

Each of those has either come at the end of a five-year term, near enough in one or two cases, of the previous Permanent Secretary or for a recognisable reason why the person has left.

Q14 **Mr David Jones:** Vacancies among the ranks of Permanent Secretaries are filled by competition rather than by rotating existing officials. Is there any reason for that?

Ian Watmore: The generality of the way the civil service system works, right throughout, is that roles are advertised either within or across the whole job market, and people apply. There is some form of competition and they get them or they do not. The system has always allowed for so-called managed moves where people are already at a level and can be moved into the role, usually for the purposes of expediting. Something rapid needs to be done, there is a crisis or something blows up, "I want to move this person from there to there", do that, and then the vacancy moves over into the previous post and that is filled by competition. That is the way the civil service system works, has worked, and it is one of its strengths because people within it genuinely believe that they have an opportunity to pitch for roles and they have an opportunity to win on merit through a fair competition.

The bigger criticism comes when the system does these managed move type of arrangements slightly opaquely. The one that gets the most criticism is when it is done on temporary promotion, where the temporary promotion process is not opened up and somebody is told, "You are on temporary promotion," and then it seems to give them an advantage when the job is finally competed.

The system mostly gets it right in terms of its competitive framework to allow people to genuinely win on merit. It has the flexibility to move people around when it needs to, but there are some areas where it needs to tighten up, otherwise it creates a perception of a closed shop for certain categories of people.

Q15 **Mr David Jones:** Would you say there is an ideal balance between internally and externally recruited Permanent Secretaries?

Ian Watmore: Back to the earlier question, at Permanent Secretary level it is hard, unless you are talking about one of the specialist roles that I talked about, like the Director of Public Prosecutions or something, where being a barrister in the criminal law for a long time perfectly qualifies you to do the role. But if you are talking about running the MoD or running the

Home Office or something like that, coming straight in from outside to do that is a real stretch. I am not saying it is impossible, but it is a real stretch.

It does not mean that people with private sector skills would not be of great value. The model I have always believed in—it is a personal belief rather than a systemic one—and certainly one that I benefited from, is coming from the private sector at a level or two below and then growing into the role as you learn what government looks like and you distinguish between the world you have come from and the one you are now in. Then you can add value and contribute.

Currently, of the mainstream Permanent Secretaries, probably three or four, outside of the specialist ones, have 80% or 90% of their career in the private sector before taking it on. They are very successful, and others are similarly in the pipeline to do that for the future.

Q16 **David Mundell:** The new Cabinet Secretary has changed the management structure for Permanent Secretaries, sharing line management between himself, the Permanent Secretary at the Treasury and the Cabinet Office Permanent Secretary. Has this changed any of the appointment processes, or does the Cabinet Secretary still take an overview of all appointments?

Ian Watmore: On the format, it is obviously a matter for the Cabinet Secretary, but it is my experience that most Cabinet Secretaries share the management load of their Permanent Secretaries with their senior colleagues. Otherwise you have a person who is ridiculously busy advising the PM and the Cabinet on major issues and trying to line manage 40 different people. It is a span of control that is too broad for proper line management.

In the past, all Cabinet Secretaries have shared. When I was a Permanent Secretary I used to report to David Normington on behalf of Gus O'Donnell. Obviously, I could see Gus in extremis, but on a day-to-day basis I would get my advice, guidance and leadership from David, who was a much more experienced Permanent Secretary. I do not think there is anything dramatically different there, but he might have tweaked it differently to the way his predecessors have.

As far as the appointments processes are concerned, it has not altered it. Either the Cabinet Secretary—it should be himself or herself, but unfortunately it has always been himself—and/or his nominee represents on the panel for the employment of a new person. Then there is nearly always two or three independent members on the panel, including a non-executive director from the Government Department concerned. That panel concerned, with me as chair, will then put the note to the PM, and the PM will make the decision. That process remains completely unaltered.

Q17 **David Mundell:** How does that process work in relation to the devolved Administrations? One of the issues this Committee has found is there is a lack of clarity as to the line management relationship between the Cabinet Secretary and the Permanent Secretaries in the devolved Administrations.

Ian Watmore: In terms of how line management goes with the Cabinet Secretary, I do not know; it is not a Commission issue and it is not one I have seen directly in my experience. What I can say is that the way we appoint the Permanent Secretary of Scotland and Wales is the same system, except that where the Prime Minister makes the decision in the UK roles, in the two devolved roles it is the First Ministers of both Governments.

The First Minister of Wales and I were talking recently about how they are going to recruit for Shan Morgan's successor, so it is driven more by the First Ministers than by the Prime Minister in a political sense, but the process is identical.

Q18 **David Mundell:** Does the Cabinet Secretary have the role that you just described in relation to what we were referring to as UK appointments?

Ian Watmore: Yes, because those civil servants are part of the UK civil service, and both Leslie in Scotland and Shan in Wales are part of Simon's extended team of Permanent Secretaries. It is different in Northern Ireland, where they have their own version of the civil service and commissioners and their own structure.

Q19 **David Mundell:** Just to be absolutely clear, though, the Permanent Secretary in Wales is due to leave, the Permanent Secretary in Scotland has had her contract extended but will leave in due course, and when that happens the Cabinet Secretary will have a role in the appointment of both their successors?

Ian Watmore: Will have a role, yes, as will the First Minister of both Governments. It will be for the First Ministers, I believe, to sign off on the appointments, rather than the Prime Minister in Westminster.

Q20 **Tom Randall:** The Northcote-Trevelyan principles are the bedrock that underpins the independence of the civil service. At your pre-appointment hearing before a former iteration of this Committee, you identified protecting those principles as one of your priorities. There is now a current appointment process and, under that current process, do you think the right balance is being struck between Ministers' preferences for particular individuals and the need to comply with the principles of an independent civil service that Northcote-Trevelyan enshrines?

Ian Watmore: The short answer is yes, I do. Let's start with Northcote-Trevelyan. It is one of the most far-sighted pieces of—I do not know whether the right word is "legislation", as it was not legislation—thought and ideas when they took the civil service in the 1800s, which was basically incompetent, corrupt and nepotistic, to give it three simplistic negative terms, and they established the principles. The principles have served the service unbelievably well.

In 2010 those principles were taken forward into the Constitutional Reform and Governance Act, which was the first time it was put on a statutory footing with cross-party support, as I understand it, at the tail end of the

Brown Government. Again, that was a fantastic piece of work. When you re-read that Act, as it relates to the civil service, it got a brilliant balance between what is required.

I take my direction of travel from both the Act of Parliament and the 160-odd years of history that preceded it. We have tried to take it forward into modern-day Britain with Covid and Brexit and all the other things that we have talked about. At its heart is that when people are recruited into the civil service it is done openly, fairly and on merit. When they are in the civil service, do they operate to a code that has honesty, objectivity, impartiality and integrity at its heart?

Protecting the way people are brought into the system is the first part of protecting the service, making sure that people are appointed on merit and not because of patronage or other reasons. Then once they are in, having a code of conduct that ensures they remain impartial and will serve the Government of the day to the best of their ability.

That is what the whole thing boils down to. They are two fantastic principles that make our civil service—what I think about them is irrelevant. The OECD recently ranked it No. 1 in the world. It has served Governments of very different political hues over a very long period of time with great effect. When you look at alternative systems that do not have those principles, I personally would not want to change them. Again, what I think is irrelevant. The Act has put them into play, and it is our job to administer them.

Q21 **David Mundell:** Figures associated with the Government have criticised the concept of a permanent civil service and even promised a "hard rain." Are you confident there is adequate protection against the politicisation of the senior civil service?

Ian Watmore: As I understand it, the people who said that are no longer part of the Government but we will move on from that, and if the sentiment is still one to be discussed then I agree it is a very important issue.

The answer I have just given to Mr Randall sums up where the legality and the history of the position is. It happens to coincide with my own belief systems, and that is one of the reasons I took the job, because I strongly believe in a politically impartial civil service. It is not aimed at any one political party. It is important that the civil service has political impartiality and, therefore, can serve the Government of the day with integrity, honesty, objectivity, and so on.

That is the law of the land. That is what we have implemented in my time, and I feel very comfortable that the leadership of the civil service today has all those characteristics, as much as they had before I joined and in the past. It is a very strong leadership team. The civil service has the ability constantly to bring new talent to the fore. You know the old phrase about policemen looking younger; I can remember people I think of as relatively

junior members of the civil service who are now running the place and you are thinking, "Crikey, what a great job they are doing."

People come through the system. The system develops them. They get great experience working with different Governments, and I think the current leadership team is as strong as any I have ever worked with.

Q22 **David Mundell:** The message from the Government, though, seemed to be that new leadership had to be appointed and the system is not producing these leaders.

Ian Watmore: I can only say that, whatever was briefed, maybe it was one thing, and what has happened on the ground is that we have appointed in the nine cases that I read out earlier, which were all in the last 15 or 16 months. We have a range of people in there; many women, more women than men, some private sector people from outside, and so on, and we have a strong team of people. Not one of those people would you criticise for being politically partial.

Q23 **David Mundell:** What provision is there for Ministers and the Prime Minister, the First Ministers in Wales and Scotland, to influence the recruitment process at the senior grades?

Ian Watmore: The situation is slightly different, depending on whether you are talking about Permanent Secretary or the next level down, but the principle is the same. I will try to make one answer that covers both. At the end of any appointment it is the Minister who signs off. The appointment is signed off by the Minister at the end. The Minister always has a final, "I do not like any of the above options," but if they say that, the whole competition has to be canned and started again. When you get to that situation it has generally been a failure of communication along the way.

What we encourage for all competitions is that, although the panels are independent, and it will be the panel recommendations that are taken forward, Ministers' views should be sought early as to what they are looking for in the competition, what roles they want, and what is particularly important, perhaps the thing that matters most right now, given the current situation, as well as the generic set of skills.

We usually, depending on the competition, offer a so-called "fireside chat" between the Ministers and the candidates, where there is an exchange of information on both sides. That allows the Ministers to ask the panel to probe particular characteristics. Ministers, properly engaged, are involved at the beginning in shaping the job and then during the course of the competition in terms of fireside chats and at the end they sign off the final decision.

The recruitment process is managed by an independent HR team, usually chaired by a commissioner, myself if it is a Permanent Secretary or one of my other colleagues if it is another grade, and an independent panel makes the final recommendation on the appointment. Hopefully, if that has

worked well, the final decision will reflect the needs of the job and the on-merit characteristics, and will also have taken in the flavours of the job that Ministers have fed into.

Q24 **David Mundell:** Is that the process you were beginning with the First Minister of Wales in your previous answer?

Ian Watmore: A great example, yes. Very early conversations shape it, but this one has months to run and there is an election, so he may or may not be the First Minister, as he himself rightly points out. It is to shape it early on, and I have done something similar with Liz Truss at the Department for International Trade because that now has a vacancy. Antonia Romeo was the Permanent Secretary and she has been promoted to the Ministry of Justice, which has created the vacancy there, so I am doing the same with Liz.

Q25 **David Mundell:** Has the role played by Ministers, the Prime Minister and First Ministers in these Permanent Secretary appointments changed in recent times and, if so, how?

Ian Watmore: You would expect me to say very different things, given the different personalities of our last two Prime Ministers. I have to say on this particular subject that they are very similar in the sense that the responsibility for appointing Permanent Secretaries is the Prime Minister's at the end of the day. It is not the Secretary of State's in that Department. I am using "Prime Minister" to include the First Ministers of Scotland and Wales.

Both Theresa May and Boris Johnson have been extremely diligent, in my experience, in exercising their interest and seeing how important it is to have the right leadership team around Whitehall to get stuff done. A Prime Minister can receive paperwork from me, and whatever inputs come from the Cabinet Secretary and others, and make the decision on the final choice. If I have two candidates who have come out of the process that I am overseeing, the Prime Minister gets the choice of those two candidates. They can make that choice based on the paperwork, or they can ask to see the candidates themselves.

In a busy prime ministerial diary, seeing interviewee after interviewee is not going to happen, but I found both Theresa May and Boris Johnson to have been quite judicious in selecting the ones to meet themselves. When they have done, obviously I sit in with them all and my colleague sits in with them as an observer, and they have conducted it very successfully. Although they look from the outside to have very different personalities and so on, on this they have both been very diligent and thorough in my experience.

Q26 **David Mundell:** Have you any experience of instances where Ministers have tried to intervene more in the process and shape it, leading to a particular outcome, for example?

Ian Watmore: I think Ministers' own personalities kick into gear, and some of them are happier just to let the system do its thing and work with whatever emerges and others are very proactive in terms of giving their thoughts on the job. On many occasions we have appointed a Permanent Secretary and, by the time they have started, the Secretary of State is not the Secretary of State anymore, which is quite a regular occurrence, either for reshuffle reasons or for political crisis reasons or whatever. People have different interests in it.

Sometimes I think someone will be very interventionist and they will want a full, open competition to test the whole market, and they have completely surprised me by saying, "I just want Whitehall's best and finest, so give me that." Other people who I thought would be the other way round have wanted an open competition, so you get those differences. I have never had anybody what I would call undermining or manipulating the process or the system, and if they had they would have received short shrift.

Q27 **Jackie Doyle-Price:** Staying with this theme, Ministers have expressed a desire to increase the cognitive diversity of civil service leadership. What do you think they mean?

Ian Watmore: I was going to ask you that.

Jackie Doyle-Price: What I am trying to tease out is that, clearly, it expresses a degree of prejudice about a view of the civil service. Speaking personally, I am a huge admirer of the principles underlying our civil service. Can that view be consistent with traditional recruitment principles within the civil service and, indeed, the role of the Commission?

Ian Watmore: It is difficult. Honestly, to unpack precisely what was meant by some of the phrases that have been uttered, I just don't know. I have not had the conversations with the people who uttered them, and I do not really know. I do understand the old sort of Sir Humphrey image where in one of the early *Yes, Minister* shows they talk about wanting to recruit from all the universities and one of them says, "Both of them?" It is that kind of history of prejudice that carries through.

I understand that Ministers would like to see a civil service that represents the society it serves, and certainly when I was interviewed for this job—and it happened to be Matt Hancock at the time, as the Cabinet Office Minister—it is something I discussed at length with Matt. This is something we need to do, because it is important that the civil service is not seen as coming from a narrow section of society and is broadly based.

Some of the moves we talked about earlier are part of that. I do not mean at the very top levels, but can you imagine if you are an ex-offender working in a jobcentre, you will have so much more empathy with the struggles and difficulties of somebody who is genuinely trying to turn their life around, for whom a job is crucially important, and you will be a much more effective job adviser and counsellor to somebody like that. You are not just giving the person who is the ex-offender a job in the jobcentre.

You are casting a very positive shadow on the local community of people who are in that category, because they can be very effective advisers.

It is that kind of thing at the mass level. I also think geography comes into this. I have lived in the north-west of England and the north-east of England for most of my adult life. I moved around a bit between Lancashire and Manchester, and then up to Newcastle-upon-Tyne. There were times when I would be in meetings in London where you would think the world stopped at the M25. I do not think anybody deliberately thought that, but it was just their lived experience.

I think a broader range of lived experiences is very good, and some of that will come from people who live in different parts of the country. Some of it will come from their social and economic background, some of it will come from their educational background, some of it will come from their work experience. Something we used to do much better than we have been able to do today was attract good local government and health workers into the civil service. Some of our best people who have ever been there came from a background of local government work, which prepared them very well for central Government and made them more empathetic to try to get policy delivered on the ground in the locale.

That has become less of a well-trodden path in the recent past, mainly for pay reasons. It seems the wider public sector pays more than the central civil service, so why would you do that to yourself? These are the sorts of things I think make for a very powerful leader, and we have talked about the personal characteristic diversity, gender, ethnicity, and so on. If you put all that together, the civil service should be looking and feeling like the society it serves at all levels, and it probably is much more so at some levels than others. At the higher levels we still have to work to get that breadth of diversity. If that creates cognitive diversity, then I would support it. If I have missed the point, I apologise.

Q28 **Jackie Doyle-Price:** Your enthusiasm when you were talking about offenders earlier struck me. You have just done it again, so from your perspective you get a good analysis of what the issues are in terms of making the civil service more representative. You hit the nail on the head with the reference to the M25, because there is a massive fault line within and without the M25. I say that as someone who represents a constituency the M25 goes through, so I can literally see it.

That illustrates the challenge, particularly when it comes to senior leadership, of tackling that. We often talk about social mobility and that kind of diversity, but the cost of living and those sorts of constraints militate against that, don't they?

Ian Watmore: It is another reason why I have genuinely always supported moving jobs outside London. There is one going on, and this current Government are pushing it hard. There have been previous attempts at that. I can remember Michael Lyons in the Tony Blair Government days doing something similar in the Lyons review.

When I was Permanent Secretary to John Denham, we had a big chunk of staff in Sheffield, the old manpower commission people from the 1980s morphed forwards two or three decades into the modern Whitehall structure. They were absolutely brilliant, really good people, passionate, knowledgeable, long term, had a perspective coming from a northern industrial city. It was a great offset to people who might be Whitehall-centric, and I enjoyed that.

The only downside is that, historically at least, Ministers have always been in London, and if the role needs regular interaction with the Minister that has meant physical proximity usually, "in the room." People might be based in the north and spending all their time in a Premier Inn or something in London, buzzing around Whitehall, which does not help anybody. With modern tech, I hope that one of the positive things with Covid-19—there are not that many, but this is one of them—could be that we will all get used to this sort of working more frequently and, therefore, people feel the need to be in the room less. That creates a much broader range of geographical diversity options for people.

Finally, when we go back to some of the skills we talked about earlier, like tech skills, my nearby city of Manchester is fabulous for high-tech skills. If you can put some of the technology jobs in and around cities like Manchester, you will probably find you get a higher calibre of person at a lower rate than you would in the equivalent in London, where historically those people will have very big numbers thrown at them by banks and the like.

I think there are loads of advantages to geographic diversity, the cognitive, the skills, the lived experience and all the rest of it.

Q29 **Jackie Doyle-Price:** I will move on now to talk about appointing the Cabinet Secretary particularly. How does that differ from appointing Permanent Secretaries?

Ian Watmore: That is a good question. I am sorry if this sounds a bit arcane at times, but bear with me.

First, the Cabinet Secretary is and has always been a personal appointment by the Prime Minister of the day. I forget which number Simon is. Is he 12th or 13th? There has only been that sort of number, and they have all been appointed by the PM of the day. It is hard to research too far back in time as to how it happened, but from all the intelligence I am able to gather it was generally a Prime Minister working with somebody they knew well who they thought they could gear up off and make as their Cabinet Secretary. It was nearly always somebody in a Permanent Secretary role in one of the Departments close to them. That is how the appointments have been made.

When Gus O'Donnell was appointed, Tony Blair ran more of a competition allowing all Permanent Secretaries to put their names forward. From memory, four did. They were interviewed by my equivalent of the day and

all four went in front of Tony Blair and he chose Gus O'Donnell. That was how it worked, and obviously we have the system for Permanent Secretaries today.

Jeremy Heywood was a very good friend of mine—a professional friend rather than a social friend, somebody I worked with very closely, a brilliant guy—and, very sadly, he came to me in July 2018 and finally admitted to me how serious his health condition was and how, if he was going to live at all, it was going to have a terrible consequence on his ability to do the job. Therefore, he said, "We really need to think about my successor." It was at the peak of Brexit time and all the rest of it, and he did not want stuff leaking out. He asked if I would do some work with him on creating a process for choosing his successor, quite a noble thing to do when you have the health condition he did.

The first thing I did was to look at what is written down about this, and the only thing I could find is something in the Cabinet Manual that says, "The Prime Minister of the day will appoint the Cabinet Secretary on advice from the outgoing Cabinet Secretary and the First Civil Service Commissioner." That is it, full stop. I took that as my opportunity to create a slightly broader process around that as my advice, and I documented it, wrote it down as advice to Theresa May and she replied, "I really hope I never have to use this, for obvious reasons, but if I do, thank you," and we put it on the shelf.

Then Jeremy's health deteriorated to such a rapid point. There was a period when he was coming back to work, and a week later he was effectively in a hospice. It all happened so fast that Theresa May said she really needed to make an appointment then and there to cover the crisis that was around. Mark Sedwill was her appointment, and that is within her right, so she consulted me and we agreed in the crisis situation that she should appoint Mark.

Mark would probably describe himself as a reluctant Cabinet Secretary but a man of great duty. He then took up the duties and did it to the absolute best of his ability. I worked very closely with him on lots of things, and he was a great man. When he stepped down last summer, I dusted off my dormant bit of paper and gave the same advice to the current Prime Minister and he accepted it. We then executed that process together, and the result was that he appointed Simon Case.

It was done, in my mind, in all the right ways. What were the key points of that? The key points were, first, having a description for the job written down and being clear what the priorities were, which was done; secondly, inviting people to pitch for the job. We judged, or I judged as well as the royal "we" but this was my recommendation, this should be serving Permanent Secretaries and recently retired Permanent Secretaries who know how that bit of Government works. Cabinet Secretary is such a unique job. If you had not been exposed to something very close to it, you

would have no idea how it worked. It is mostly about Cabinet and policy and all the rest of it.

We limited the field to current and retired Permanent Secretaries, recently retired. We then allowed anybody from that group to put their name forward. Mark and I, with an independent, then assessed each of the people and gave our views to the Prime Minister. The Prime Minister then interviewed them all and made his pick and chose Simon. Then we closed it out. I think it was probably the most thorough process ever done for the appointment of a Cabinet Secretary, and I would hope the process will become normal, but at the end of the day it is still in the gift of the Prime Minister of the day.

The Cabinet Manual gives them that capability, and if a future Prime Minister just wanted to appoint that one, they would be able to do that. The lesson from this is that it was a good one, and I think we have ended up with a Cabinet Secretary who is in that intersection of people who could do the job, wanted to do the job and was acceptable to the Prime Minister to do the job. That is what you are trying to find with this sort of recruitment.

Q30 **Jackie Doyle-Price:** The process you have just described has complete integrity. Coming back to the point that it is an appointment that is in the gift of the Prime Minister, is there a difference between how Prime Ministers choose to exercise that? I am pitching the question because you have outlined a very clear recruitment process in that context. Obviously, the circumstances of Mark Sedwill were rather different, as you have outlined, but clearly there was a working relationship there with the then Prime Minister in any case. I am trying to tease out to what extent you think the personality of the Prime Minister determines who the final candidate is, or does the best person for the job emerge?

Ian Watmore: Part of being the best person for the job is the ability to work with the Prime Minister of the day. There is a real trusted adviser relationship between those two that is essential, and a lot of stuff can get done or not done, depending on the strength or weakness of that relationship. I would say that is an extremely important part of the job, but so are lots of other things as well.

In my brief foray through the way it was done in the past, I was doing this a bit blind. I could not start ringing people up, saying, "Hello, Harry, how were you appointed?" because nobody knew about the Jeremy Heywood issues and so on. I knew how Jeremy was appointed. David Cameron just decided he wanted Jeremy when Gus told him he was retiring. There was no competition, as far as I am aware. He was working with Jeremy. Jeremy was his No. 10 Permanent Secretary and he just wanted him for the job, "He's my man."

The Gus O'Donnell one was the most competitive in that sense. I believe the Andrew Turnbull appointment was somewhere on that journey towards the Gus process, and there was some competition. I believe Richard and

Robin were each appointed by Blair and Thatcher, per se, on personal appointments. Before that I have no idea, but I would guarantee it was personal appointments in those days. Broadly speaking, it has been the personal appointment of the Prime Minister on every single occasion, except a little bit on the Turnbull one, definitely the Gus O'Donnell one and definitely the Case one.

Q31 **John McDonnell:** You have just described the process, which I think explains why in the annual report you have listed the various Permanent Secretary boards you have sat on but not this process. It is because it is somewhat of a hybrid process, is that right?

Ian Watmore: You are right. It is exactly a kind of hybrid, but I will list it in this year's annual report. It happened last summer and our last annual report closed in March last year, so the one we are writing now for March this year will include a reference to that.

Q32 **John McDonnell:** It would be useful to have the description you have just given us about your own role in that as well because, as you say, it would be worthwhile setting that out for future reference as you had to contact others to try to design the process almost afresh in that instance.

Ian Watmore: That is a good idea.

Q33 **John McDonnell:** I think it would be helpful when this happens if there are some ground rules laid out for even unusual occurrences. I have found your responses so far really interesting. You mentioned the legality of this. You referred to the law of the land. You made historical references to past processes, and at one point I was interested that you mentioned your own personal belief system, which you bring to it all.

The reality of the last year, and David Mundell has raised this already, is we have had some expressions, and not just from passing advisers but from Ministers as well, of this concept of a hard rain, a bit of a climate being created in the way in which pressure could be applied on the system itself.

There have been regular briefings against individual civil servants, and maybe as a result—and I know you said this may not be statistically significant—we have seen changes in the Cabinet Office, the FCO, the Home Office and Education, and the senior legal adviser going as well. Some of this has been non-renewed positions. Some have been early resignations. We have also had a significant out-of-court settlement, and I have to say there have been briefings against other Permanent Secretaries who have remained in place, not least against the Permanent Secretary at the Treasury. Are you really saying this has just been a normal year?

Ian Watmore: There was nothing normal about the last year. In the spirit of this question, there were about four or five things in your very rich question. First, briefings against civil servants: I absolutely hate it. I think it should not happen, and the political class as a whole should agree to stop it because, at the end of the day, the civil service cannot answer back, does not answer back. It is there to serve the Government of the day to

the best of its ability, and to brief against it undermines that bond of trust and the ability of people to do the best job. It is not just a thick skin and tin hat thing. It is what is good government. That is my view on briefings.

I should have mentioned the Home Office, and I did not. The reason I did not mention the Home Office is not because I wanted to shy away from it, but Philip left in the situation he left in and all that has been regurgitated recently in the public domain. That is one where there was a managed move of another Permanent Secretary into the role. The Cabinet Secretary of the day, which was Mark Sedwill, put Matthew Rycroft, who was in DfID, into the Home Office. There would have, therefore, been a vacancy in DfID but it got abolished or merged in the FCDO, so it never came back. I should have mentioned that one as well.

They are some of the bigger roles. The only ones where there was genuine controversy about the departures, apart from that Home Office one, would be the legal one that we have talked about, and the Education one, which was four and a half years instead of five. All the others reached their five-year terms, and some of them were longer. In the Cabinet Office, I think that John Manzoni did six in the end because of Covid. Simon McDonald had done his five at the Foreign Office.

If we are to appoint people for five-year terms of office, it is a good principle to change after five years if the situation demands. I think it is good managerial leadership. Changing more frequently than that, a high degree of churn, is unhelpful, but having 10-year and 15-year Permanent Secretaries is unhelpful as well. You have to get that balance right, and most of them are happening after about five years.

John McDonnell: You have responded in a manner that displays all the traditions of the British civil service, Mr Watmore. Thank you.

Ian Watmore: As a private sector person, I take that as a real compliment.

Q34 **John McDonnell:** Good. I will just return to script with another question, which relates to your comment. What obstacles are there to a Government making an external appointment as senior as Cabinet Secretary? Was the possibility raised with you, for any of the Cabinet Secretaries appointed during your time as commissioner, of bringing someone in externally?

Ian Watmore: At Cabinet Secretary level?

John McDonnell: Yes, but also extend that to Permanent Secretary.

Ian Watmore: The Cabinet Secretary, no. There is a misconception about the Cabinet Secretary job in some quarters that all they really are is the line manager of 420,000 civil servants; therefore, why couldn't somebody who has run a very big organisation be that person? The vast majority of the job on a day-to-day basis is, as the job describes, being secretary to the Cabinet and Prime Minister. It is in the most complex policy areas and joining up across Whitehall and all of that stuff that makes Cabinet and

Government work or not. That is something that being chief executive of Marks and Spencer does not prepare you for. That is why I think the Cabinet Secretary post will always be somebody who has been within the system at the highest levels, at least for a significant part of their time, otherwise it will fail.

Permanent Secretaries as a whole, yes, we always look for opportunities to bring people in. Several competitions have been open competitions and headhunters have gone out. We come back to the fundamental challenge that, when you are running a core Whitehall Department, a big part of the role is to be the trusted personal adviser to the Secretary of State. They want somebody who knows how to support them in the wider Whitehall jungle, if I can put it that way. Even some of the most private sector-supporting Ministers tend to favour having an experienced Whitehall person by their side in running their Department, but they then want to spread the expertise to the next level quite often. Maybe if you are in DWP or something, you could have a private sector person running one of the big operational networks of jobcentres, and in the process that person will become experienced in the politics of DWP and all of that. Over time they might become a very good Permanent Secretary of DWP.

I will use some examples. Stephen Lovegrove—I should not talk too much about Stephen, you can ask him yourself, he is a great guy—came across from the City into the old DTI to run the Shareholder Executive, as it used to be called, where the Government manages shares on behalf of citizens. From there he became a more mainstream member of the old DTI-BEIS-BIS, whatever it was by then, and then became the Permanent Secretary of DECC when it was created. From there he has moved into the MoD and has now become the National Security Adviser. His is an interesting path through the different job roles, coming in from primarily a public sector City background. You would never have recruited Stephen as the National Security Adviser from his banking background. It is the journey he has gone on between that makes him such an effective NSA.

Q35 **John Stevenson:** If individual Departments are regularly breaching the recruitment principles, what can and what do you and the Commission do about it?

Ian Watmore: In the most egregious breaches we have the ability to declare an appointment unlawful and have the person removed from the role, and we have done that in my time. I forget which Department it was, and it is possibly not necessarily best to shine too many lights on it for various reasons, but it was clear there was a family member on the panel who should not have been on the panel and should have declared themselves in conflict. A member of their family then got the job, and it was obviously completely wrongly constituted and we declared it an illegal appointment. This person had to stand down from the job, and the competition had to be run again.

Q36 **John Stevenson:** What level was that at, just out of interest?

Ian Watmore: That is a good question. It was probably either the first level of senior civil service or the level just prior to it. It was quite senior but not very senior, from memory. I will check the details and give you anonymised feedback on that one, if you are interested.

Those are the specific cases, if we get one of those. If we have a Department that you might call somewhere between a serial offender and dysfunctional, initially when we assess people—we do an annual audit of all Departments, publish it in our accounts. One of the things I am also quite pleased about in our time is we have really improved the way we do this. It used to be a bit of a tick box: has there been a breach, yes/no? A tick box audit exercise, whereas now we do something much more holistic. The Department looks at its capability to recruit, the context in which it is operating, and so on. We assess it on a scale of poor to whatever the top is. We also assess it in terms of direction of travel.

It might have a poor assessment, but it might be improving because it has taken it to heart, or there might be somebody who is flatlining or even deteriorating the other way. It is both the assessment and the trajectory that is important.

Q37 **John Stevenson:** Sorry to interrupt, do you see yourself as taking an active role in improving the performance of those individual Departments that are continually in breach?

Ian Watmore: Absolutely. To be clear, usually this is cock-up not conspiracy. It is people not knowing how to do things, rather than trying to malign the system. It can usually be fixed with a combination of good training, good communication and just getting people to understand a bit more about what the richness of this conversation has been, why we do these things. It is not to be bureaucratic and pedantic; it is to ensure a good long-term outcome for the service and the individual concerned.

We do a lot of that, and we do a lot of events. My commissioners are particularly good at that. They hold events demystifying the Commission, how it works, its processes, the recruitment processes. Most of our year is spent on the proactive side, the enabling side of being a regulator, but once a year we also have to draw stumps and say, "This is the scorecard for this Department this year." It has never happened to my knowledge but, in extremis, if a Department is basically so dysfunctional or—I was going to say stuck two fingers up at us, which is not the right phrase but you know what I mean—wilfully just opposed the regime, we could withdraw its delegated responsibilities to recruit.

The reason why that would cause a Department a huge challenge is because the vast bulk of its recruitment below SCS level is done by it against our rules, without external commissioners on the panel. If there was a systemic flaw in a Department, we would have to take that right away and impose an external regime, but that has never happened.

Q38 **John Stevenson:** That is very interesting. I will take you back to

something you said earlier, which I very much agree with. What happens at the lower level in recruitment does matter, because it has a knock-on consequence 10, 15, 20 years later. I can see your very valid point about that.

What interests me is that all the Departments have their own HR departments. Would it not be far better for the civil service to have one HR department that, therefore, has a consistent policy and consistency across the whole civil service in terms of recruitment and all the other aspects that go with HR, rather than this patchwork of Departments doing their own thing and your having to intervene as you have just referred to?

Ian Watmore: That is a very interesting question. Let me start with the interventions. Having said all that, there are 40,000 external recruitments a year in the civil service, and there are more inside the system with people moving from one Department to another. Coming from the outside into the system, there is 40,000 a year and there are relative handfuls of problems. We do not have a systemic problem.

Part of the reason we do not have a systemic problem, in my judgment, is because we clamp down on the individual cases when they crop up. We do not allow people too much latitude at that level, because they take an inch and it soon becomes a mile. I don't believe there is a systemic problem because of the action we take.

In terms of HR across the civil service, it is not really my remit to comment. However, this one comes up from time to time in lots of different ways, and there are definite advantages to having something at the centre doing things once on behalf of all of Whitehall and there are definite disadvantages, too. It is always a question of trying to find the right balance.

The current balance is that there is a very strong HR function led by Rupert McNeil in the Cabinet Office that is effectively the HR function across the system. It is probably stronger in terms of numbers and powers than I have ever known it. For most purposes, most Departments are doing their own thing according to a set of rules. If you are DWP, you do not need the Cabinet Office central group to go and recruit jobcentre clerks in Darlington for you. That is not what you need. Obviously, if you are military in the MoD, you have a different perspective again.

Getting that balance between what is right for the individual Department and what is best done centrally is the holy grail that nobody ever finds. The private sector is not a good analogy, because Departments are not subsidiaries of a group. I have always said that. If you have a group of companies in a multinational conglomerate group and they have a whole load of subsidiaries, people say that is a bit like Whitehall. It is not really, it is more like each one of those is a separate business in an industry called Whitehall.

If you take the multinational conglomerate model as an analogue, they do exactly the same thing; they centralise all their functions. It drives all their subsidiaries nuts, they find the centre becomes bureaucratic and so on, so they decentralise. Then they find all the subsidiaries are doing different things, and head office gets fed up so they recentralise. The ebb and flow of the tides just goes over decades. I have seen that in so many businesses. I think it is the same in Whitehall, there will always be a bit of an ebb and flow, but trying to find the right balance is tricky. What you want is a strong centre and strong functions in the Departments, on the same page, and that is where our regulatory role tries to drive them.

Q39 **Rachel Hopkins:** You receive relatively few complaints about breaches of the civil service code, and you uphold very few of those that have been received. Why do you think this is?

Ian Watmore: First, I think it is because the vast majority of civil servants live their life by the civil service code. I genuinely do. They are great people. In 400,000-odd people there is going to be the odd bad egg somewhere, but I genuinely think civil servants up and down the land join the civil service because of the public service values that sit in their heart. They see it embodied in the civil service and the civil service code, and they live their lives accordingly. That is the real underlying reason.

Mechanically, the only way a civil service code complaint comes to us is that we are effectively the Court of Appeal rather than the court, if I can use that analogy. A complaint against the civil service code can only be made by another civil servant. Civil servant A can complain about civil servant B, but nobody outside the system can complain about a civil servant under the code. It is from within the system.

If A complains about B, the first port of call is that the Department does an investigation and deals with it; 90% of cases end up there and are dealt with there. If A is unhappy with the outcome of the Department, they can effectively appeal it to us. So we are already talking about the rarefied cases where there has not already been a resolution.

The ones that come to us probably very rapidly fall into one of three camps. First, they get referred because it is really part of an ongoing HR dispute between an individual and the Department. It is not really a code issue at all; it is an HR dispute. We deem those out of scope and part of the HR processes.

The second is where we find the Department has done an investigation or we have referred it back to the Department to do an investigation. We look at it and the Department has done a good job, and it is just that A does not like the answer. In a small number of cases, we find for the complainant, and probably the one that struck me most is an interesting example for all sorts of reasons, not least because it shows how far away from Whitehall most of the civil service operates.

We had a member of the Food Standards Agency working in an abattoir in Herefordshire—I think it was—so not everybody's stereotypical view of a civil servant, but somebody doing great work on our behalf assessing the safety of the food chain in an abattoir before it goes into the wider food chain. This particular person thought his line manager was finessing the management information data to make his stats look good, and he therefore felt that was potentially creating a human health risk. He made a complaint under the code. It put him under a lot of personal pressure with his colleagues, as you can imagine. If there was an abattoir in Coventry, they would have sent him there. It was a stressful personal decision for him, and the investigation that was carried out said there was no case to answer.

He was very convinced he was right on this, and he took advice from a variety of people—his family, his union and so on—and they all said, "You have this other avenue to appeal, why don't you take it?" He said, "I am already under enough personal stress from this, is that really the right way to do it?" Then he decided he would be under more personal stress, because he is such a good public servant, if he did not because he could not sleep at nights knowing this might be going on. So he appealed it to us, we looked at it, we did an investigation, we found in his favour. We called in the Chief Vet to assess the health risk. The health risk, as it turned out, was not the issue, but it was more a management information thing for performance reasons. I invited this guy to come into a big swanky office in Whitehall as a thank you for having had the personal courage to do the right thing against all the odds. He remains one of my favourite people I have met in my time for all those reasons. I did not even know his job existed at the start; that we had civil servants in abattoirs never occurred to me. A great man.

Without washing too much further linen in public, there were a lot of changes made in the FSA and a lot of scrutiny brought in. We are now very comfortable the FSA is on a good path.

Q40 **Rachel Hopkins:** When someone has breached the code, would you say you have that enforcement role?

Ian Watmore: Yes, it depends on what it is, but to be found guilty of breaching the civil service code by the Civil Service Commission is not somewhere you want to be as a civil servant, trust me.

Q41 **Rachel Hopkins:** Are you confident that all code breaches are being caught?

Ian Watmore: I cannot be confident that all code breaches are being caught, because somebody needs to make the complaint if there is a code breach. We do not actively go and audit 400,000 people's daily experience of how they do their job. It requires somebody to raise a complaint.

I am confident that if they raise a complaint there is a proper system either within the Department or in the Commission to hear that complaint

promptly and to reach a properly assessed conclusion. That gives me confidence that, if people are seeing breaches of the code, they would put their hand up, like our friend in Herefordshire, and ultimately it would get sorted out, if not by the Department then by us.

Q42 **Rachel Hopkins:** From the other side of things, can Ministers register complaints under the code? If not, how do they register any dissatisfaction with the conduct of senior officials?

Ian Watmore: Apart from briefing to the press you mean?

Rachel Hopkins: You said it.

Ian Watmore: I am joking. Only serving civil servants can raise complaints about civil servants, so members of the public can't, Ministers can't and so on. If a Minister has a problem with either a civil servant or a group of civil servants, that is what the trusted relationship with the Permanent Secretary is there for. They would talk to the Permanent Secretary, and the Permanent Secretary would address the concern. That is part of the job of being a trusted adviser or having a client or something when you are the Permanent Secretary. If your client is unhappy, even if you do not think the person has done anything wrong, you have to hear the concern and address it. Sometimes it is just a language thing rather than a substance thing.

A Minister cannot raise a complaint under the civil service code, only civil servants can.

Q43 **John Stevenson:** The Commissioner for Public Appointments has expressed his concern about the number of recent ministerial appointments that have been outside his remit and, I believe, yours. Do you share his concerns?

Ian Watmore: I have no role in public appointments, my role is civil service only. The sorts of things that Peter Riddell oversees are different in kind, they are like the chair of the BBC or the Arts Council or something like that, not the core civil service. I don't know, is the answer.

What I do know is that we are statutorily overseen and his regime is not. There is a difference there. We have power of CRAG behind us; he does not, so he cannot claim things are illegal. You would have to ask him. I am sorry, I don't do that part—

Q44 **John Stevenson:** If you do not share concerns necessarily, do you think such appointments should come under a statutory framework?

Ian Watmore: Again, it is not for me to decide that, but I would say that in doing my job and in my fellow commissioners doing their jobs, we feel immensely strengthened by having the statutory backing of a cross-party Act as recently as 2010 to underpin what has been a century and a half of tradition and best practice. Yes, that is good for us.

I do not know whether that is what the public appointments system needs or wants. I have never looked at it and do not have an observation to make, I am sorry.

Q45 **Karin Smyth:** That question about the Commissioner for Public Appointments perhaps picks up a gap between his remit, which as you said is not your remit and you are not commenting on that, and your remit. Is there a gap? Behind that, what is your input into deciding whether a public position is a civil service appointment?

Ian Watmore: I don't know what Peter—

Karin Smyth: Shall I help? The inquiries that we have conducted asked particularly about the appointments of Baroness Harding and Lord Frost. Baroness Harding obviously has a huge position within NHS England, NHS Improvement, and she was given the role in Test And Trace, putatively aligned to an absolutely massive role within a new organisation overseeing a huge proportion of our GDP in health terms. That has been deemed to be outside the civil service. It seems to be outside Peter Riddell's remit as well.

You have given us an exemplary session on how civil servants live their life by the code, the century and a half of standards and tradition that we have in this country, and I put it to you that these particular posts are outside those traditions and those standards, and they seem to be the responsibility of neither yourself nor Peter Riddell. That is the gap we are interested in addressing.

Ian Watmore: Thank you very much, that is very helpful. I know exactly where you are coming from now.

In that case Peter probably has a point, there is a category of appointment that is not governed by either of us. It is not governed by him and it is definitely not ours. That is an interesting point, and maybe one that we should take up with Lord Evans, who has oversight of Standards in Public Life, just to see if there are cracks.

We have a patchwork quilt of regulatory bodies like us, and it must be theoretically possible for there to be a crack between them. That is an interesting point.

Q46 **Karin Smyth:** Mr Riddell has written to Lord Evans about that concern. Did you have any input into whether that should be a civil service appointment?

Ian Watmore: No.

Q47 **Karin Smyth:** Would you expect to? Do you think you should?

Ian Watmore: The post that Dido Harding fills—I will come back to the Lord Frost one in a second—has not been categorised as a civil service post by the civil service. I assume it is an NHS post, to be honest, which is outside the civil service.

The boundary between the civil service and the public service is a little bit arbitrary, and we know the history. Why is a prison officer a civil servant and a police officer not? Discuss. It is mostly history and tradition. The NHS, teachers and the military are not civil servants, they are public servants. I probably would have assumed that Dido's role was deemed a NHS role, and I apologise if I have that wrong because it is not my remit.

What I do know is that the civil servants who work in that area all report up through David Williams and Chris Wormald at Permanent Secretary level in the Department of Health. They might be taking their leadership from Dido's post, but the actual civil service structure reports up through the two Permanent Secretaries in Health.

In the NSA case, we were contacted on that by the Cabinet Office to say this is where the Cabinet Office position was on this, what did we think? The issue was that the NSA post had traditionally been filled by a civil servant, but traditionally means it started in the David Cameron Government. As I understand it, the post did not exist before then. Normally, the security role could well have been ministerial in nature. Under Gordon Brown's Government, from memory, Lord West may have fulfilled a role approximating to that.

It is not like saying this role has existed since Queen Anne or something, this is a relatively new post that had been filled two or three times by ex-Foreign Office people, it has to be said, and is now being filled by somebody more like a Minister. I think the Cabinet Office took the view, with which I agreed, that that was a matter for the Government to decide. What we could not agree to was that Lord Frost would be filling the role of a civil servant. Therefore, any civil servants who were working to him and for him would do so treating him more like the Minister, if I can put it that way, and had to have a line structure up through the civil service that went into the Cabinet Office, and that is exactly what was put in place. That was the recommendation of the Cabinet Office and the one I agreed. A decision was taken a few months later to do something different again, and it is now back as a civil service post, as we discussed earlier, with Stephen Lovegrove.

These boundary issues are difficult, but I am pretty clear that if there is a proper mainstream civil service role and someone is parachuted into it without any process, that would be time for us to stand up and be counted.

Q48 **Karin Smyth:** I appreciate your making that distinction between those two appointments. I come from an NHS background. I completely understand that the NHS and managerial levels, even at senior level, has always been a bit of an anomaly, given the control and power of those roles not being civil servants, but there does seem to me to be a gap here. Peter Riddell has highlighted that gap in his letter to Lord Evans.

You have also highlighted that there may be a gap. When you have had a chance to look at it after this hearing, could you come back to us in writing about that and whether you think it should be something to be pursued?

Ian Watmore: I am happy to do so in conjunction with Jonathan and Peter. It is more that, between us, we can oversee what we call the patchwork quilt.

Karin Smyth: From our point of view it is about accountability for the roles, and you have outlined very clear accountabilities and how people live their life by the code and the rigorous recruitment processes that happen in all our public appointments. If there is a gap, it is important that we address that. I appreciate that, thank you.

Q49 **Chair:** Thank you very much indeed. With that, Mr Watmore, that concludes our session this morning. We are very grateful to you, and I found that evidence particularly illuminating. I am very grateful that you have undertaken to write to the Committee with additional information. For the time being, thank you.

Ian Watmore: Thank you, Chair. I am not sure "illuminating" is necessarily going to win me the *Yes, Prime Minister* award of the year. I think the *Yes, Prime Minister* award prefers opaqueness.

If I have been helpful today then great, but I have enjoyed the session. It is good to have the Committee back and firing, because it is a very important Committee. There was an abeyance because of Covid. I was meant to appear and then it all got canned because of Covid. Thank you for the opportunity. It was a good tour de force across all the issues. I enjoyed it, thank you.

Chair: Thank you very much indeed.