

Public Administration and Constitutional Affairs Committee

Oral evidence: The Government's Management of Major Projects, HC 1631

Tuesday 6 November 2018

Ordered by the House of Commons to be published on 6 November 2018.

Watch the meeting

Members present: Sir Bernard Jenkin (Chair); Dame Cheryl Gillan; Kelvin Hopkins; Dr Rupa Huq; Mr David Jones.

Questions 1 - 87

Witness

I: Sir Amyas Morse, Comptroller and Auditor General

Examination of witnesses

Witness: Sir Amyas Morse.

Chair: I would like to welcome our witness to this session on our scrutiny of major projects. Could I ask our witness to identify himself for the record, please?

Sir Amyas Morse: My name is Amyas Morse and I am the Comptroller and Auditor General.

Q1 **Chair:** Can I ask my colleagues and indeed our witness to make full use of the size of the room with your voice? Otherwise we might not hear everything that is said.

This may be the last time you appear in front of our Committee, Sir Amyas, because you are stepping down. You reach the end of your term in May next year. What is it you would like people to be saying about what has changed in the National Audit Office during your period - something that is different and adds value to what the NAO contributes to public life?

Sir Amyas Morse: I would like people to say that we are very professional in our approach, which I have emphasised very strongly, that our comments are strongly based on evidence that we find, that we



HOUSE OF COMMONS

are quite rigorous in assessing that evidence, and that we are not afraid to express a point of view that people can understand as a coherent and clearly expressed point of view.

Q2 Chair: What is it that you would like to say has been the effect of the National Audit Office on the quality and efficiency of public expenditure and public investment?

Sir Amyas Morse: That is an impossible question, Chair, to be quite honest with you. There have been times during my tenure in this job when I have thought that what we were doing, despite being the right thing to do, might be having very little effect, and there are other times when you put your hand against a wall and suddenly the wall falls down. Can I explain why sometimes we seem to be very effective and other times not so effective? No. That is why it is important to have an idea of what you are trying to achieve and what you are trying to inject into the system as a point of view, and just keep going with it. You do not know when what you do will be effective. Overall, I would say I think we have moved things forward quite a bit, actually.

Q3 Chair: In terms of the management and leadership of major projects, where do you think the influence of the NAO shows in the improvement?

Sir Amyas Morse: I think there is much more understanding that you cannot run a major project or programme without having decent information. Since I write that in virtually every single report I publish, I am hopeful that it has crept into the debate to some extent. "If you cannot measure it you are probably not going to achieve it" is certainly true in project management.

Q4 Chair: One of the innovations that we have seen in your time as Comptroller and Auditor General is the creation of the Infrastructure and Projects Authority. How well do you think the Authority supports Government management of major projects?

Sir Amyas Morse: It has certainly improved things, particularly at the start of projects. That is the particular area where I would say it has improved things. I do not know that I would give it as many points for continuing until the project is thoroughly finished, which of course yieldeth the true glory. I am critical of the follow-up, but there is much better scrutiny of the start than there was.

Q5 Chair: It has involved the merger of the Major Projects Authority and Infrastructure UK. How well do you think those two roles have been combined in the IPA?

Sir Amyas Morse: I am positive about that as well. When organisations merge there can easily be dysfunctionality. We have not seen signs of that. In fact, the new combined body has pressed forward with driving improvements in not allowing projects that are red-rated to leave the portfolio and things of that sort, which are, in my view, serious improvements. I have seen nothing negative about it. I was not



HOUSE OF COMMONS

convinced when it was mooted as an idea that it would work terribly well, but I am positive about it.

Q6 Chair: The IPA leads across Government in improving capability in Departments. It has also established training programmes with external providers and it has established a smaller project leadership programme at Cranfield University to train an elite cadre of project leaders. How well do you think IPA is leading the development of project delivery capability across Government?

Sir Amyas Morse: All the things you have mentioned, Chair, are positives in my view. They are all good developments. I have to note, though, that they are all relatively incremental in style. That is not a fault, it is just a feature of them. I would say the same is true of the more general approach that has been instituted by the Cabinet Office of building professions across Government and trying to have professional expertise in a number of areas on a matrix basis. That all makes sense.

However, there is the impact of already a very overloaded programme before Brexit and then the massive amount of extra work associated with Brexit, irrespective of what decisions there may be. Let us suppose there was an extension or whatever; there is still years of extra work ahead negotiating trade treaties and all of that. There is a great deal of pressure on Government to deliver and run projects and programmes. Many of the skills that are needed for Brexit projects are the same as for other major projects. There is a great deal of pressure and probably the rate of scaling up the resources is not and cannot be commensurate with that.

Q7 Chair: Can you identify the capabilities that are still lacking in order that the Government can manage major projects more effectively? Where do you think the worst shortfalls are?

Sir Amyas Morse: The main skill areas that are needed for running projects successfully are digital, commercial and specific project delivery skills. You will not be surprised to hear me say that, Chair, and I think there are shortages in all of them in the context I just stated. There are an awful lot of people fishing in that same pond. Government demand has shot up, understandably, and these are skills that the private sector is interested in as well. In all of them, there is a challenge. I am not saying it is disastrous, but there is a very steep climbing curve in all of them.

Q8 Dame Cheryl Gillan: Can I ask you, Sir Amyas, if you see the responsibility in the Infrastructure and Projects Authority to say whether a project should go ahead or should be abandoned? The old Major Projects Authority was prevented from publishing its reports into infrastructure projects. We still do not know what those reports said and how Government decided to progress with projects. Do you see the son of the Major Projects Authority, which effectively this is, as capable of doing that, and do you see Government as capable of responding to negative reports about infrastructure projects?



HOUSE OF COMMONS

Sir Amyas Morse: I am not sure. I hope what I am going to say now is right, but I am not sure that they have or that they use the authority to discontinue projects. I think they would raise that question with the Departments. The Departments would have to decide that, and I do not see Departments discontinuing projects anything like as often as I would like to see. While things have gotten a lot better, I am not sure how radical the challenge is to that point, even when you have red-rated projects. Perhaps behind closed doors there is a discussion about whether they should stop a project, but the momentum with a major project is very great.

You may recollect that we wrote a report recently on Universal Credit. One of the comments in the report that I explicitly personally inserted was that I did not think there was any feasible possibility of going back on the Universal Credit project. I believe there are lots of things that could be done better in it, but I did not think one of them was a meaningful discussion about going back to seven or eight different forms of benefit. I thought we had gone past that point. The change process had gone too far for that to happen. Sometimes that sort of framing comment can be very helpful. However, earlier on when a major project is started and it is still possible to stop it without wasting a vast amount of investment, that discussion could take place more often than it does.

Q9 **Dame Cheryl Gillan:** Do you also think that Government should be very careful of who is appointed to the son of the Major Projects Authority? It always appeared that the Major Projects Authority was headed up by people who had vested interests in certain projects.

Sir Amyas Morse: I cannot comment on that. I have never had a perception that people had a vested interest in a project, no. I could not honestly say I have noticed that. Perhaps I have not looked keenly enough.

Q10 **Chair:** Have you identified any particular projects you think should be stopped?

Sir Amyas Morse: I have identified quite a lot of projects where I think a more modest approach, much less risky, might have delivered a lot of the benefits.

Q11 **Chair:** Can you give examples, or is that a little too contentious?

Sir Amyas Morse: There is a specific example that we have reported on quite a few times, which was the electronic borders project that ran for 10 or 15 years and still to some extent is running. I believe that if a less visionary and breakthrough ambition had been there in the first place and a more modest, step-by-step approach had been taken, we would be a lot further forward now.

I think that the same thing is true of Universal Credit. When it started there was a very ambitious idea of trying to do everything on an agile basis, which clearly did not work very well and which I think the



Department had great difficulty executing. They got a lot of advice to tell them they should do it this way. Now we are still moving forwards with the project, but using a method that I would describe as “test and learn”, which the Department does know how to do. It is a fairly incremental, steady process of testing, putting things in and testing something else. It is nothing like as fast, but it is more realistic. Maybe this is about being very realistic about what you can deliver and what skills you have on board, not being too ambitious.

I see a lot of projects that I think are trying to be world-beating, best in class, but just good enough to deliver the required benefits would be rather preferable in my view. That is one of the things you see a lot in the business world. People are not always trying to show off when they are putting on a project, they are just trying to get the job done. I prefer that approach.

Q12 Dame Cheryl Gillan: Lastly, just on this general introduction, who prioritises infrastructure projects for Government? Who looks at them and says, “Well, Government, it would be better if you did X, Y and Z rather than A, B and C”? Should that be a role of the IPA?

Sir Amyas Morse: Not I. Probably more the infrastructure projects side of the IPA, yes. They publish an infrastructure strategy and I guess to the extent that the Government buy into that strategy there is prioritisation there. There is something of that. Similarly, you could say that in the MoD they have a long-term equipment plan. Therefore, there is prioritisation there. Do I see it universally across Government? No, I do not. Would it be a good thing? Yes, it would, because if I can quote John Manzoni, he says it is 30% too much that we are trying to do. I do not quite know where the figure comes from, but the sentiment is definitely right. We probably take on too much, too ambitiously, and if we were a bit more modest about these things we would probably have a much higher success rate, to be honest. We are always overburdening the machine.

Q13 Mr David Jones: As you know, the IPA has established training programmes with external providers, including the Major Projects Leadership Academy at Oxford University. How effective would you say the MPLA is in addressing the issue of Government’s capacity to lead major projects?

Sir Amyas Morse: I cannot add very much. I am sorry to be slightly disappointing on this. I cannot add much more than what I said before, which is that putting people through training and skilling them up is a good thing. How much of that has happened at what rate and whether it has really changed the landscape is difficult for me to say. It is positive.

The effectiveness probably runs alongside the degree to which there is real career management. You send them on a course and you make sure they work on a series of relevant projects and build up a really good book of credible expertise, which is how it is done in the private sector. You



HOUSE OF COMMONS

build expertise through a combination of experience and training. It is not mysterious. That is how it works. If you get people to have managed career paths like that and you send them on training courses, they will develop expertise.

Q14 Mr David Jones: Is it possible to assess the value for money of such programmes?

Sir Amyas Morse: It is certainly feasible to look at it. I would not baulk at looking at it but, as often, the difficult thing is to assess the benefit. It is not difficult to assess the cost of the programme and it is not particularly cheap, I can tell you, but the issue is what benefit is achieved by it. That is more difficult to manage because success has many parents. If you said, "This project has succeeded because we had somebody who has been on a project management course", how do you know that is the thing that has led to the success? That is extremely difficult to evaluate. I would have a crack at it, but I would have difficulty in getting very clear findings on it, I think.

Q15 Mr David Jones: In fact, coming through the course is a necessary step to credit an individual to lead a major project.

Sir Amyas Morse: Yes.

Q16 Mr David Jones: I suppose that in those circumstances the issue would be: what would be the case if they did not go through such a programme? How do you assess the difference in terms of value for money?

Sir Amyas Morse: That is a reasonable argument. You should come and sign up at the NAO.

Q17 Mr David Jones: That exercise has not been carried out, I take it?

Sir Amyas Morse: No.

Q18 Chair: How should we assess the value of the MPLA?

Sir Amyas Morse: It is difficult to assess it on its own. You might look at all the things that condition greater expertise, of which this is one, and say, "Do all these efforts cover the area reasonably effectively? Are there enough people coming through this training to make a difference? Are they then used properly so that their expertise is built on?" If you give people these skills and then do not use them for that purpose, it is a waste. The test is along those lines, I would say.

Q19 Mr David Jones: How confident are you that all projects that should be included in the Government's major projects portfolio are actually included? There is the issue of Brexit, which one would have thought was the biggest project to face Government in many years. It is not included as a single project.

Sir Amyas Morse: It is quite difficult to see Brexit as a single project. I would not contend that. You would be boiling the ocean, trying to do that.



HOUSE OF COMMONS

Since I have done I do not know how many reports on Brexit now - six or seven - I could reasonably say there are a lot of fairly clear discrete activities and then there is the cumulative, how they are all brought together into a programme. It is possible to look at it like that because I have done it. It would be possible. The IPA has been involved in doing work on Brexit, supporting DExEU, but probably because of timescale, pressure and capacity they have not been involved in trying to assess every one of these projects and programmes.

Q20 Mr David Jones: The NAO has reported that there is a lack of consistency and that it is not always clear why some programmes have been incorporated in the portfolio.

Sir Amyas Morse: No, and indeed it is quite odd when you look at some of them. BEIS, for example, has the smart meters programme in, but they have another comparable programme that is not in. You are left thinking, "I do not quite know why one and not the other". That is a reasonable question to ask. It is not clear to me why. For example, Hinkley Point 2 is not in because it is judged that it is an industry-led programme, whereas BEIS tells me that smart meters is an industry-led programme. I have difficulty understanding just why one is in and the other is not. I do not think it is consistent.

Q21 Mr David Jones: You have clearly drawn this lack of consistency to the attention of Government. Have you had any response?

Sir Amyas Morse: Not so far.

Q22 Kelvin Hopkins: On that point, is the factor in all of this not that political will sometimes overrides common-sense estimations of costs?

Sir Amyas Morse: The political factor is always there, if I can say it like that. I am going to leave this for the Committee. We have a little booklet here called "Survival Guide to Challenging Costs in Major Projects". This image here is supposed to be a mousetrap that the person is contemplating, and what it says is that one of the key guides to seeing something as very threatening is when a Minister or sponsor suggests a ground-breaking project, because then what is happening is that the Minister is moving towards an executive role rather than a non-executive role. Once you have a Minister very enthusiastically committed to a particular project, the more detail they get into, the more difficult it is to have clarity about who is accountable to what. That is a problem we see occurring from time to time.

I am sympathetic to the Minister being interested. I can understand why they should want to see something. That is why it is so important that civil servants should become more skilful. If they are having a discussion with a Minister and they are saying, "This project you are so keen on has certain risks to do with it. We think maybe you should consider something else", to be able to state that in an expert fashion rather than just as a feeling you have or as a bit of advice is probably much more persuasive; it does not sound like you are being obstructive. There is



HOUSE OF COMMONS

something to be said for having an expertise-based conversation on these subjects with Ministers.

Q23 Kelvin Hopkins: Thank you. I will ask my formal question now. The IPA predicts £330 billion of benefits from £83 billion of investment in the Government transformation and service delivery projects in the GMPP. What confidence should taxpayers have that benefits of this scale will be realised?

Sir Amyas Morse: The IPA's numbers come from the predicted benefits of those projects. My problem with that is that, because projects do not stay their whole life in the GMPP and under the purview of the IPA, what quite often happens is that later on in the life of the projects the benefits delivered diminish. While I can understand where they have got that number from, you need to see how many completed projects have actually delivered these benefits as opposed to what they are promising to deliver. I am afraid I am somewhat sceptical about it for that reason, because I have seen this happen too many times.

Q24 Kelvin Hopkins: You have anticipated my next question. In the light of previous experience, how realistic does their claim seem?

Sir Amyas Morse: I am sorry for answering it already. My view is that if you really want to show the benefit you have to look at benefits that are distinctly delivered, not benefits promised for the future. I so often see the benefits getting swallowed up. I do not mean that there are none, but they often turn out to be somewhat optimistic. They are part of the veil of optimism that I quite often see at the launch of projects and then they diminish over time. They may not disappear, but they diminish.

Q25 Kelvin Hopkins: The costs of several high-profile projects in the GMPP have been revised upwards. How much of this increase has been due to factors outside Government control and how much should have been anticipated with better early planning?

Sir Amyas Morse: There are a number of factors at play. One of them is optimism bias. In other words, people are promoting a project and they feel they want to show that they are can-do about it. Therefore, they promote things that are relatively low probability into the most probable result. We see that quite often. "What might happen if everything goes right" becomes "the most probable result", and that is not helpful.

We also see a factor that I will describe as entryism, which is when people who are very strongly promoting a project want it to get in and know there is not enough funding for it, so they fit it in with the amount of funding that will be approved and then later on the awful truth emerges that it is going to cost a great deal more. There can be a number of reasons why this happens. Some are more innocent than others. Certainly, we see it happening a lot and it has probably come from not taking a sufficiently hard-nosed challenge.



HOUSE OF COMMONS

This is something I would really like to see the Treasury spending teams doing more of. It is not just a matter for the IPA. The Treasury teams, when they see spending propositions, are very focused on managing spending, and they do that very well. I would like them to get more involved in challenging the benefits of projects. A project cannot go ahead without Treasury approval for a major spend. They are in a position to exert a lot of pressure. They have access to the information. They can do that very effectively and they could do it in step with IPA. That would be an improvement.

- Q26 **Kelvin Hopkins:** A glaring example of what you have just been talking about is HS2. Last weekend the Secretary of State for Transport announced that the northern component of HS2 was unlikely to go ahead. It looks like the beginning of the end for HS2. Certainly, some of us hope that is the case. On cost, the Government have been sticking with their £50 billion and at the same time there are leaked reports that it is going to be over £100 billion if it goes ahead, and even more than that. Is HS2 a glaring example of what you have been saying - that sensible estimates were not made at the beginning?

Sir Amyas Morse: It may also be an example of something a bit different, if I may be allowed to say this. It is impossible to cost accurately what I will describe as uncertainty. Certainly, when you are talking about the Y route for HS2, that is an enormous project. You get to a point of understanding in detail what the costs are likely to be quite late on in that.

For example, recently the Government have done all the compulsory purchase activities of buying up land around the route to Birmingham. Now they have a pretty clear idea, I dare say, of what that is going to cost. They did not necessarily know that before. Even now, they have put out compulsory purchase orders, but until the finish of the negotiation they will not know exactly how much that land has cost them. They will probably find that some of it they can put back into the marketplace. What will they get for that?

I am giving you these precise examples because if you apply that all the way up the route, it is not surprising that there is a lot of uncertainty as to what the ultimate cost will be. You just cannot predict all these things many years in advance. You cannot get it accurate. You have more of an indication than a precise set of numbers.

- Q27 **Kelvin Hopkins:** I could go on at length about HS2, but I will not. I have put my questions. Thank you, Chair.

Sir Amyas Morse: You know we do regular reports on HS2 and we will do in future as well.

- Q28 **Dr Rupa Huq:** I also have HS2 issues, but let us not go there. At a time when we should justify every pound of public expenditure, what conclusion should taxpayers draw from the fact that fewer than one in



HOUSE OF COMMONS

five projects in the GMP portfolio have a green for go or amber under your traffic light system confidence assessment?

Sir Amyas Morse: I am going to be a bit positive about that because there are fewer projects in the GMPP than there were. The IPA has decided to focus particularly on troubled projects that need constant monitoring. I think that is a good decision. It is going to be the case, therefore, that what is in the GMPP is going to be a higher proportion of reds than it was when there were a lot more projects in it. In preparation for this I looked back over a few years and it is true that the colour spectrum has shifted to the red, but the number of projects involved has reduced over that time. There are more projects happening outside the GMPP. I do not think you can take from that that there are fewer Government projects happening; there are just more of them happening that are not brought into the GMPP.

Q29 **Dr Rupa Huq:** You are not overly concerned at the rising number in the red for danger category?

Sir Amyas Morse: I am more put on inquiry by it, if I can use that technical expression, rather than definitely concerned because there is a reasonable explanation for it, which I have just given you. On the other hand, looking at any individual project that is classified as red, I might say that project has not been well run and I would be concerned about that. If the absolute number of red projects continued to grow, I would be concerned about it. I am just saying that the mere fact that there are more red classified projects as a proportion of the whole now is not automatically a bad thing. I hope I am being—

Q30 **Dr Rupa Huq:** The headline figure is that it looks like the high risk is rising, but okay. What are the issues that arise when different agencies are involved in the delivery of major projects? If you have the IPA and the Government Digital Service, is there some treading on toes going on?

Sir Amyas Morse: There is a risk that there is not good enough co-ordination or that people come in, give advice and disappear, leaving somebody else holding the baby. There was some of that a few years ago. Certainly, in the early stages of the Universal Credit project I think there was some of that. The co-ordination, as far as I can see—I am not a great expert on this—has improved over time. The co-ordination coming from the Cabinet Office in particular has become quite realistic and effective.

Q31 **Dr Rupa Huq:** How well do these agencies work with Government Departments? What is that relationship like?

Sir Amyas Morse: I would say they all work better than they did. That does not mean “well”, it means better than they did. To be honest, it is too general for me to say that they all work well or badly. What I am saying is that I felt they used to give—particularly the digital team—quite theoretical advice. It is more practical and more implementable than it used to be. That is why I am sounding reasonably positive. I know you do



HOUSE OF COMMONS

not expect me to come in and coo like a dove, but on this occasion I am being moderately positive about it.

Q32 Kelvin Hopkins: In 2013 the then-Minister for the Cabinet Office, Francis Maude, now Lord Maude, described the UK's record in delivering major projects as "lamentable". How much do you share that assessment?

Sir Amyas Morse: There are certainly some things to lament. The main one is not having exercised common sense. I was tempted to say this to you earlier. One of the key skills that I would like to see in project management is common sense. Just to say what I mean by that, sometimes if you look at a project you realise you cannot carry it out without the consent of a person or persons whose consent you do not have, or that there is some critical blocking factor. No one, or no one in charge, has sat down and looked at the critical path.

Let me give an example of the Great Western Railway modernisation project, where one of the key features of the project was the assumption that they had a special train that could lay piling for new track very quickly. Unfortunately, they had not done the research to find out that there was pre-existing piling under the ground along a long section of the track that no one had a map of; they did not know where it was. Unfortunately, instead of being able to do the project quickly in the way they thought they were able to do, they did it the old way with people going and digging around, trying to find out what was down there. It slowed the thing down and hugely increased the cost. That is the sort of thing you should really not have got very far down the road before knowing about.

On HS2, you will remember the original business case for HS2 made great play of a saving of business travellers' time, apparently not aware of the fact they had something called laptop computers. That turned out not to make sense either. You look at things like that and realise there are quite often things that people are not thinking about clearly enough.

If you take the emergency services communication project that is still current and being run by the Home Office, the question you have there is: unless they deliver the same functionality as police forces and emergency services, in their own judgment, believe they were getting from Airwave, they cannot be compelled to switch over. We are building something and we are spending a lot of money and we do not know yet whether they will take it or not. Why does that make me feel particularly uncomfortable? Because I remember a previous project for emergency control centres set up and championed by Mr Prescott, for which the consent of the emergency services had not been obtained. They built these very large control and communication hubs around the country and they turned into white elephants, to a large extent.

There are things like that. You might say, "But surely". You will all remember, no doubt, the NPfIT project for a national system of



HOUSE OF COMMONS

information about health records. It required the consent of all the hospitals, and many of them never gave it. There are things like that. You would think, "Just do not leave home without thinking about who could stop you". If somebody in the team decided, "We will get around them somehow", the answer is that quite often that does not happen and you spend a vast amount of money hoping you will turn out to be lucky. That sort of stuff is not good enough. It is amateur and it should not be happening.

Q33 Kelvin Hopkins: It comes back to the point I think I made earlier about wilful politicians marginalising common sense.

Sir Amyas Morse: Yes, but to be honest, the people who are the professionals in the Department have the job of standing up on that. The accounting officer is accountable for using resources properly. There is a system for them to express their disagreement. If that system does not work, that is a different problem. They are appropriately accountable for that and they should not be going along with it, and in some of these cases I am not sure that anybody realised this until it was too late.

I am not sure it is the politicians. It might be, but I think it is more that, out of all the myriad people who have different roles, committees and so forth, there was no one sitting there late at night thinking, "I am going to act like this is my own money. I am going to really worry about it. I am going to travel this pathway and think what could go wrong". That is what you want, somebody who is sweating blood over it, and I am not sure that always happens.

Q34 Kelvin Hopkins: It is the centre rather than the politicians. Just one more question: in what ways have the IPA and its predecessors improved the situation?

Sir Amyas Morse: They have done, because they challenge. I would say the same for ourselves. The fact that rigorous challenge is given to mistakes and badly thought-through projects has raised the average quality of projects. I would also say that they have been supported by the Treasury, having clearly enunciated principles for business cases and with the Green Book setting forth what is required. There has been a general ramping-up of pressure to do the right thing when you are putting a project in place. It does not change the fact that there are still, over periods of time, quite a large number of major projects that do not have business cases.

Q35 Dame Cheryl Gillan: I want to return to this priorities question. John Manzoni said that the Government were doing 30% too much to do it well. He was very keen on making sure that we had some priorities set. I touched on this with my earlier question. Who should be responsible for setting the priority of one project over another?

Sir Amyas Morse: I do not think it should be the IPA. They do not own the projects; they are simply there to provide professional challenge on them. We can pay attention to the long-term plans developed by the



HOUSE OF COMMONS

Infrastructure Authority and others, but at the end of the day Government need to sit down and say, "This is what we are going to do". This is an area that has been quite visible in Brexit. There has been some need for co-ordination and some need for prioritisation wider than individual Departments.

I am afraid I did say that in a speech quite some time ago, after the announcement of Brexit. Government had far too much on their plate and they needed to prioritise. I have only seen some prioritisation happen since then in some Departments. There is a lot more that could be done. I think all this huge effort on Brexit will leave a legacy of a more co-ordinated Government, oddly enough, than what went before, just because of having to deal with these problems.

- Q36 **Dame Cheryl Gillan:** In the current absence of a mechanism to deliver this sort of qualitative analysis across the board to Government, would you care to comment on what people are asking for? For example, in my own constituency people want high-speed broadband right across the board to enable them to cope with Brexit. They want 5G because 4G is limited. They want the electric charging infrastructure for electric vehicles. Yet they see Government putting all this money into HS2 when in fact the business case relied on the Y shape, which has now been thrown quite clearly and dramatically into doubt. Surely there should be some area of Government that is looking at that and analysing it.

Sir Amyas Morse: It is very reasonable to say that there should be a prioritisation discussion that goes wider than individual Departments. There should be a prioritisation discussion in individual Departments and there probably should be one that goes wider than that because it is quite clear that there is interdependency between Departments.

For example, just to switch away from High Speed 2 if I may, there is a clear interdependency between social work, social care and health. That is recognised by the health service and by social care. You know that if you do not have adequate social care it transfers the burden on to health; to some extent on to other emergency services, too, but mostly on to health. Simply having a departmental system that says, "We will cut the country up into these Departments" does not get the job done. There are systems that are interdependent more widely than that. It is better to recognise those and try to take prioritisation decisions that take account of them.

- Q37 **Dame Cheryl Gillan:** Can I just extend the prioritisation issue into capacity issues? There are huge skills shortages right across the board. Surely that also should be something that plays into how Government prioritise their infrastructure projects.

Sir Amyas Morse: Yes, it should. It is perfectly reasonable to say that you should look at several projects that might be equally desirable and think, "One of them is going to use a lot of scarce skills and another is going to use relatively little. How do we prioritise between those?" I fully



understand that. You see the effect. To take another example, if you are building Hinkley Point and some other nuclear power stations at the same time, you want to do work on the deterrent and at the same time you are doing something at Sellafield, you are going to find pressure on the relatively restricted pool of people with skills in nuclear power.

- Q38 **Dame Cheryl Gillan:** That leads me to my last question on this and on prioritisation. It is not just money and the desirability of the project, it is skills, but surely it is also timing. Just taking the nuclear example, when I was looking at the decommissioning of Trawsfynydd, of course it was anticipated that the people with those skills would transfer across to Wylfa, but the timings got out of sync. Surely those three elements should be looked at on an annual basis.

Sir Amyas Morse: I do not disagree with that, but carrying on with nuclear for a second, I am very aware of this in defence. The argument that the MoD puts forward is that building submarines is a specialised skill. If you suddenly stop building submarines for 10 years, you do not have anyone around at that point who has built a submarine before and you have quite a steep learning curve to get back to the ability to build them effectively. All the times I have ever had a discussion with the MoD they have put that argument, and I think there is truth in it. There is something about keeping a drumbeat going, particularly in areas that will require very specialist skills.

- Q39 **Dame Cheryl Gillan:** You seem to agree that there should be some organisation that sits within or alongside Government that is looking at these things holistically. Do you think realistically that is an expanded role for the IPA or would you think that there should be a separate organisation?

Sir Amyas Morse: I think the IPA is a success. It could do things better, but it is a success. It has made a solid contribution. I am always going to be nervous about loading a successful organisation with more responsibilities because what happens is that you keep on doing that until it fails. I have seen that too often to think that is a good idea. My reaction is generally to say, "Do not do that". You will remember that the Care Quality Commission went through a very bad patch. It was started up and had a clarity of focus, and then it started being loaded with more and more things that it was expected to do and it became more or less unmanageable for a period of time. Now it has a more focused goal and it is working very well. I would just say that, generally speaking, giving agencies that are doing well more things to do is something you need to be very careful about.

- Q40 **Dame Cheryl Gillan:** Your preference would be for an independent body and a separate organisation to evaluate this?

Sir Amyas Morse: I would need to have a more detailed conversation about that whole subject before I would express a preference.

- Q41 **Chair:** Is that not something the Government should be doing for



themselves?

Sir Amyas Morse: That is why. Government always wrestle with the departmental system of government and delivering across that. I think they have done a good job in the Borders Delivery Group in the Brexit project, but often cross-Government groups have a temporary feel to them. They do not necessarily have the ability to command anything. In the end, the power remains back with the Departments. Certainly, for prioritisation across Departments it should be something happening at the top of Government. Those decisions should be happening at the top of Government.

Q42 **Dr Rupa Huq:** To what extent do you think Government attempts to improve early planning of projects, with things like pilot testing to counter earlier accusations of short-termism and wild optimism, have worked?

Sir Amyas Morse: They can be quite informative if you abide by the results of the tests, but I have seen quite a few projects where there have been pilots that were abandoned or where whatever they indicated was not taken to heart. You should not do it unless you are going to actually make use of the findings. You also have to be pretty rigorous about what information you would use to assess those findings.

For example, I was concerned in the NHS that they set up a number of spearhead groups to try different forms of intervention in the community and try to learn from those, but I felt the information capture from it was not clear enough to enable those lessons to be transferred across the system fully.

Q43 **Dr Rupa Huq:** Is there a systematic programme of assessing what happens? It sounds like you are saying they can be ignored.

Sir Amyas Morse: No, I am not saying they should be ignored, I am saying—

Q44 **Dr Rupa Huq:** But they can be?

Sir Amyas Morse: Forgive me, then. I am not expressing myself well. What I am saying is that you should pay attention to them. If I could apply a scientific approach to it, if you are doing an experiment you should have a protocol for how you are going to understand the results of the experiment before you start. Then you should abide by those results and put them into effect. If what happens is that you run some trials and they produce a result you do not like so you just ignore them and do something completely different, then do not do the trials. I am trying to say that you have to stick to the discipline if you are going to adopt it in the first place.

Q45 **Dr Rupa Huq:** How do they get assessed at the moment?

Sir Amyas Morse: Sometimes in a very inadequate way, which is what I am trying to convey. In a very inconsistent way at times.



HOUSE OF COMMONS

Q46 **Dr Rupa Huq:** What do the results say? This is a process thing and then what do the—

Sir Amyas Morse: It is a process thing, but it is also a matter of not having made your mind up beforehand as to what result it is that you want. If you have already decided that, no matter what the trials show you are going to go ahead with a particular course of action, there is not much point having the trial.

Q47 **Chair:** What is the recommendation we should make in our report to address this?

Sir Amyas Morse: Your report on what?

Q48 **Chair:** We are going to do a report on—

Dr Rupa Huq: How to resolve this sloppy process.

Sir Amyas Morse: I am obviously not getting this across terribly well, but what I am trying to say is that trialling is a good thing, but if you are going to do a trial, you should understand what results would indicate what action you should take and not put yourself in a position where you can ignore the results of the trial later on, which I have seen happen many times. Otherwise it is a waste of public money in the first place. I am sorry if I am not getting that across, Chair, but I am trying to.

Q49 **Chair:** How do we recommend—

Sir Amyas Morse: You should recommend that there are trials, but you should also recommend that when the trials indicate something they are actually adhered to.

Chair: It is a subjective judgment. Thank you.

Q50 **Kelvin Hopkins:** Just following the theme of political decisions, how far do short-term political considerations affect the planning and delivery of major projects and the setting of unrealistic targets?

Sir Amyas Morse: They do affect it. Once you have announced something, you have lost quite a lot of negotiating leverage with the people you might contract with. The further you go and the more detail you give, once you start saying how much money you are going to spend and all the other things that get press attention and focus at a political level, then the people who might be going to bid for the contract know that you are committed to carrying it out, more or less. The civil servants are going to have to go on with it. You have lost a degree of leverage in negotiating a good value contract. There is no doubt it has an effect.

This is government. There is a political process. You cannot separate it out. However, I cannot deny that I have asked this question. "Why announce in such detail? Why put numbers on it? Why say how much you are going to spend when you cannot possibly know that that is the right number?" The answer is, "Because it gets more attention". That is not a good way. You have committed your civil servants at that point.



HOUSE OF COMMONS

Q51 **Kelvin Hopkins:** Politicians making names for themselves, knowing that they will move on and perhaps will not be there to pick up the pieces if it goes wrong.

Sir Amyas Morse: I can understand that. I can perfectly understand that if you have become a Minister in a particular Department and you have, I don't know, two or three years there, you want to be able to say you have achieved something while you were there. That is perfectly understandable and probably in many ways it is quite healthy to put pressure on the civil servants to move along, but there is a point where it can become unhealthy because you are forcing things to move at a pace that cannot be executed successfully. It is a risk. Notwithstanding the fact that it is a legitimate part of government, it is a risk.

Q52 **Chair:** If there are pilots to road-test on a small scale the implementation of a project, how is NAO involved in their assessment?

Sir Amyas Morse: We are not a functional part of government. It is not our job, every time there is a pilot, to go along and test it. That is not our job.

Q53 **Chair:** If there is a failure of assessment of pilots, why should external NAO scrutiny of pilots not be part of our recommendations?

Sir Amyas Morse: When that occurs and we know about it, we cover it in our reports. Quite often when we are talking about a project that has gone wrong, we find ourselves commenting that a lot of this was predicted as a result of the pilots but apparently not taken on board.

Q54 **Chair:** If part of the procedure was to involve NAO in scrutiny of the preparation of the project earlier—

Sir Amyas Morse: We do look pretty early. I would rather not become part of Government's functional management arrangements. I do not think that is my job. I work for Parliament, not for Government.

Q55 **Chair:** Then how should Government ensure that Departments—

Sir Amyas Morse: You should require the IPA to do it, which is perfectly reasonable, I think.

Chair: That is a good response. Thank you.

Q56 **Dr Rupa Huq:** The Chancellor made the much-heralded announcement in the Budget last week that PFI was ending. What impact will that have when private capital to public projects is not ending? There is the Glen Parva prison and I think another prison as well, Wellingborough. What will happen in practice when all these things in the pipeline are going to be privately financed?

Sir Amyas Morse: I was very courteously given a phone call about this from the Treasury and my comment was, "I do not think it really matters". PF2 has only had two projects or something. Obviously, nobody



HOUSE OF COMMONS

is doing PFI anymore, so the fact you have stopped doing it does not change things very much.

Q57 **Dr Rupa Huq:** It has gone out of fashion. It was our report that recommended that.

Sir Amyas Morse: Congratulations, in that case.

Dr Rupa Huq: A victory for the Committee.

Sir Amyas Morse: Like everything else, there have been examples of good PFI deals. It is not impossible to have a good PFI deal, it is just that it was used as the solution for everything and pushed far further than it should have been pushed.

Q58 **Kelvin Hopkins:** On PFI, has the NAO over time done some straight comparisons of direct Government contract versus PFI costs?

Sir Amyas Morse: We have.

Q59 **Kelvin Hopkins:** How much do you think the Government are going to save in future? Vast sums of money, I would suspect.

Sir Amyas Morse: It will be a long time before something like PFI will be resurrected, but there are other things where Government are involved in dealing with the private sector, such as contracts for difference. I think there will be plenty of occasions in the future when we find ourselves reporting on quite substantial amounts of money being paid out.

Q60 **Dame Cheryl Gillan:** I would like to move on to accountability and assurance. One of the roles of the IPA is to assure and advise Departments about major projects. You have found in some instances that the IPA reviewers lacked the authority to influence more experienced senior project teams and you also flagged, in the case, for example, of Universal Credit and HS2, the slow departmental response to those reviews. How effectively do you think Departments implement IPA recommendations?

Sir Amyas Morse: I have not carried out an exercise to monitor how effectively or how many of their recommendations are implemented, but if you will excuse me for saying something about how many of ours are, the answer is that rather a lot are. We have the huge advantage of being associated with the Public Accounts Committee. Over 80% of our recommendations are accepted by Government. To the extent they go forward into being recommendations by the Public Accounts Committee, they are rigorously followed up. If the accounting officers concerned do not carry out those recommendations, they are called into the Committee to explain why not. That is a very powerful mechanism for keeping on pushing them forward.

Does the IPA have anything as rigorous as that to help them drive forward? I am not sure. It is certainly a fact that people will know that will happen, and it does happen. When they are called in for that purpose



HOUSE OF COMMONS

they will be asked a lot of other questions at the same time. That is not regarded as desirable so it keeps a lot of pressure on them to carry out commitments that have been given.

- Q61 **Dame Cheryl Gillan:** Because the IPA's reviews should inform the Treasury spending decisions, do you think the role of the Public Accounts Committee should be extended to cover the IPA? Would that give it the clout that is necessary? If we contrast and compare it to the National Audit Office, it is clearly not having that impact.

Sir Amyas Morse: Are you saying it would become a parliamentary body rather than being part of Government?

Dame Cheryl Gillan: Yes.

Sir Amyas Morse: That is possible.

- Q62 **Dame Cheryl Gillan:** Could you see a downside to that?

Sir Amyas Morse: Certainly, for them to be able to take their recommendations to Parliament and get them supported by Parliament would give them the ability to have objective pressure to have them carried out. We certainly find that a huge advantage.

- Q63 **Dame Cheryl Gillan:** Does anything happen to Departments if they do not implement any recommendations from the IPA? Is there any level of accountability whatsoever or do they just disappear into this vacuum?

Sir Amyas Morse: The fact that I cannot tell you, in chapter and verse, what it is does not mean that it does not exist. I would imagine if you are running a project, are constantly being criticised by the IPA and have recommendations that you have not carried out, then if you are the accountable officer for that project that would be a performance issue for you. That is your main job. That should be a performance issue, and I imagine it would be.

- Q64 **Dame Cheryl Gillan:** How much does the structure of an infrastructure project impede this sort of examination and evaluation? I am thinking again, for example—I am sorry, I did not mention the HS2 word first, my colleague did—of this arm's-length body, HS2 Ltd, which has developed a life of its own with apparently little accountability. Of course, we are considering a similar vehicle for the restoration and renewal here at Parliament so it is a very relevant issue.

Sir Amyas Morse: You know that we do audit the company of HS2, and we do actually hold it to account quite rigorously for anything. You will remember there was an issue regarding directors' remuneration and so forth, all of which we have gone into in great detail. One way or another they are being called to account, perhaps not by the IPA for these particular things we are doing, but I do not think they are escaping accountability.

- Q65 **Dame Cheryl Gillan:** I am thinking particularly of what the NAO



HOUSE OF COMMONS

uncovered on the unauthorised redundancy payments. If I recall correctly, £1.7 million was paid out in specifically unauthorised redundancy payments, which have not been recovered; nobody has been held to account for it.

Sir Amyas Morse: Certainly, the attempt to hold them to account has been extremely vigorous, which I can report from having a ringside seat to that. There has been considerable pursuit of that through the Public Accounts Committee.

Q66 **Dame Cheryl Gillan:** However, the money has not been recovered and is incapable of recovery.

Sir Amyas Morse: That might be as the result of legal advice.

Q67 **Dame Cheryl Gillan:** I am not aware of any sanctions applied to any individual or individuals who were responsible for those unauthorised payments, so it appears the Government are impotent.

Sir Amyas Morse: I think you will find the individual has left the organisation and I think there was advice taken on what recourse there was. I do not think it is that these things have been ignored or not bothered with.

It is not really my job to answer for it, but I happen to know quite a lot about it since it was based on my report. What I would say is that it was pursued quite vigorously but there are sometimes limits to what you can achieve.

Dame Cheryl Gillan: That is right, the accountability was just not there, in that case particularly.

Q68 **Chair:** Moving on to SROs—senior responsible owners—who are formally accountable to Parliament for the progress of their project, the IPA has recorded that the level of churn among SROs has fallen from 25% in 2013 to around 8% in the most recent period. The high level of turnover of SROs has previously been associated with project failure. Why do you think this level of churn has reduced so dramatically?

Sir Amyas Morse: I think it is because it is a deliberate requirement by Government that the SRO turnover should go down. I cannot tell you how many times I have sat at the PAC listening to the Committee pressing Government on reducing the churn of SROs. Therefore, it has gone down because Government agreed it was desirable it should go down. They have been put under considerable pressure and have managed to reduce the rate of churn. I am pleased it has gone down because it is impossible for people to really have a meaningful relationship with projects if they are constantly moving on.

Q69 **Chair:** How much do you think it reflects the fact that the SROs have more faith in the projects they are managing, or they realise they are in them for the long term and are now managing them better?



HOUSE OF COMMONS

Sir Amyas Morse: It is certainly true that they associate their future career success with the performance of the project in a way that was not always the case in the past. That is the impression I get.

Q70 **Chair:** How much influence do you think pivotal role allowances have had on this?

Sir Amyas Morse: I have to say I have not done any work on this. It looks like a common-sense thing that if you want somebody from industry who has a really vital area of expertise, you should be able to go out with the normal pay scales to get them.

Q71 **Chair:** You can if you recruit in, of course. If you are recruiting from within the civil service you cannot, you are stuck with the grade structure and these rather limited pivotal role allowances.

Sir Amyas Morse: Yes, I think that is so.

Q72 **Chair:** Is that an issue still to be addressed, in your view?

Sir Amyas Morse: For that to be an issue you have to have somebody within the civil service with such unique skillsets that you could not replace them. That might be the case, I can see that. It is potentially an issue. It is probably a less frequently occurring issue, Chair, than the issue of wanting to bring expertise in from outside.

Q73 **Chair:** Do you think the lower level of churn can be discerned in improved project delivery?

Sir Amyas Morse: It can be discerned in more knowledgeable commentary from the SROs.

Chair: That is a qualified yes?

Sir Amyas Morse: Yes. It is not axiomatic that having a lower churn in SROs means better performance. However, I certainly find that when SROs appear in front of the PAC and they have been in post for a long time, they are much more knowledgeable and more deeply invested in the project. If you want to go from there to say, "Does it make it more likely the project will run well?", yes, it does but there are many other factors, of course.

Q74 **Kelvin Hopkins:** When projects fail, how clear is it where responsibility lies?

Sir Amyas Morse: I take a fairly hard-nosed view on this, which is that the responsibility lies with the accounting officer and with the SRO. The reason for that is that it is quite clear nowadays that accounting officers are expected to sign off a statement when they initiate a major project saying that they understand the implications of the project and personally approve of it. I am quite proud of the fact that they are doing that now. Therefore, they are personally accountable for it and, reporting to them, so is the SRO. I do not think there is another way of doing it than to say that that is the accountable person.



HOUSE OF COMMONS

Nonetheless, of the fact there could be other influences—we talked about Ministers and so forth—the way the system is supposed to work is that the accounting officer is accountable for the use of public resources. They have recourse if they think they are being asked to take decisions that are not good value for money and we need to hold them to that.

- Q75 **Kelvin Hopkins:** I do not want to bore, but I have a fairly good knowledge of the inside of the railway industry. We have just seen a serious delay, and clearly a degree of failure, on Crossrail; the tunnel has been bored but the electrification system has serious problems and is delayed for a year. However, it is still fuzzy as to who precisely is responsible. Should we not have more clarity in a project of that kind?

Sir Amyas Morse: That is probably true. It is slightly complicated in Crossrail by the fact of the half-in-half-out nature of it; it is not just a central Government project. I think I am right in saying that, whoever is accountable for it, it is a fact that within the last week the chief executive has stepped aside. Therefore, it sounds like there is some accountability going on somewhere.

You are right that, in a project involving a significant amount of taxpayer funding where the general public is going to be very greatly affected, yes, there should be clear accountability.

- Q76 **Kelvin Hopkins:** Is this the way we should try to prevent future projects failing, making sure that accountability is established very clearly at the beginning?

Sir Amyas Morse: Yes, that absolutely is right.

Kelvin Hopkins: Thank you.

- Q77 **Dr Rupa Huq:** The IFG report from this year on accountability says that evaluation is failing to capture whether or not infrastructure projects are achieving the outcomes they were set up to achieve. How do Government know whether projects have achieved the benefits they were expected to deliver?

Sir Amyas Morse: One of the areas that is the most concerning is clarity about the benefits envisaged from a project. I agree with the comment. It is concerning. It is not working effectively. This requires much more careful discussion at the start of the project and clarification as to what exactly that project is supposed to deliver, over what timescale and who is supposed to benefit from it.

I have seen projects with extremely fuzzy benefit statements, where you are talking about secondary and tertiary economic benefits, and you are left thinking, "How would we ever measure whether they have been generated?" Personally, I am much more interested in benefits that can actually be measured in some sensible way.

- Q78 **Dr Rupa Huq:** It is easy to say if something is not on time and on budget, but the monitoring of the project ceases once it has concluded.



Would you prefer a more long-term approach so that benefits could be considered during the lifetime of the project?

Sir Amyas Morse: Yes, I would. There needs to be a much more rigorous examination of what the benefits are that are envisaged. You need to have a discussion about how they will be measured and what will be regarded as okay or not okay, and you also need to be prepared to revise that in the course of a project. We talked earlier about uncertainty in what the scope of a project might be. When you are talking about very large, long-running projects, there is quite a lot of uncertainty sometimes as to what is involved. However, that is not an excuse for failing to keep on revising and clarifying what the benefits are that are envisaged. I do not think that happens all that much.

Q79 **Dr Rupa Huq:** Would you do a traffic light system?

Sir Amyas Morse: Yes, I would.

Q80 **Dame Cheryl Gillan:** I think Rupa has really started to cover it, but my question was how good are Government at learning from success and failure. As you said to Mr Hopkins, the chief executive of Crossrail has departed, but am I right in thinking that the chairman has now been made not only chairman of Crossrail but chairman of HS2 as well?

Sir Amyas Morse: I did not even know that, I am afraid. You may be right but that is not something I know about.

Q81 **Dame Cheryl Gillan:** I think the chairman is Sir Terry Morgan of Crossrail. He came to see me and he is now chairman of HS2. Therefore, I ask the question: how well do Government learn from success and failure?

Sir Amyas Morse: It is quite a big step from how well do Government learn from success to who should be chairman of Crossrail or HS2.

Dame Cheryl Gillan: I appreciate that, but I was picking up on my colleague's—

Sir Amyas Morse: You will forgive me for staying on the first stepping stone and not going on to the second one.

Government have become more convincing in their desire to understand lessons from projects. I still think there is a tendency to try to suggest that projects have been successful when they have not been, or not to face up to some of the more painful conclusions that can come from the lessons you really need to learn from projects.

I would also say I am seeing two sets of attitudes among Permanent Secretaries. There is a growing group of Permanent Secretaries who use our work, for example, to inform the Department about what they need to do differently. I have had the experience of having the team do a critical report and then having our team invited to the Department to meet with managers to explain all the implications of that report. The



HOUSE OF COMMONS

great advantage of that, which used not to happen much at all, is that the Department is taking an open posture. They are saying, "We accept the findings. We want to learn from them. We are going to ask you to come and talk to our people about it so we can really drive home the lesson". That is a very positive way of doing things. What used to happen was you would do your report, and people would be frankly resentful of it and therefore not in a position where they were likely to learn very much from it.

I would say I am now seeing more of this very positive behaviour than I did in my early years in this job. It is not as a result of our having softened our reports. It is as a result of Permanent Secretaries seeing their job not as administration but as improving the success and functioning of their Departments. That is quite a big development. To start seeing your job as making things run better than they did before you took up your role is a characteristic of a private secretary/chief executive. It is extremely positive that I am seeing that.

Q82 Dame Cheryl Gillan: That is a real step forward, say, over the past 10 years.

Sir Amyas Morse: I really am excited about it.

Q83 Dame Cheryl Gillan: Can I put you on the spot? Can you name the Departments that have been really good at that and those that have not and that you are worried about? It would save us doing a lot of—

Sir Amyas Morse: I will say the ones I can give very quickly. This is quite awkward. I am going to say that I associate it with Philip Rutnam in the Department for Transport and now in the Home Office.

These are not easy Departments. We are not in the habit of writing only complimentary reports. We write some very tough reports. The idea that there is an openness and a willingness to learn from the work—rather than saying, "Let's pretend this is a rude noise off to the side"—is a very positive development. I am not going to go into all the people who I think are good or bad, if you do not mind. I think that is a bit invidious. I have given you the example of him.

There is a slightly different atmosphere at HMRC, but in HMRC there is again a desire to run it better than it was before, which is very positive. I could not have given you these examples a few years ago. It is a fantastic job, running an enormous organisation, doing such important work, and people are starting to see it as a profession, to run it really well and to try to drive up the performance. To the extent I can be encouraging of that, I am really trying to be.

Q84 Dame Cheryl Gillan: We are very concerned about improving the performance of the civil service, so that is very good feedback for perhaps other inquiries we are doing here.

Can I probe you a little bit on Ministers? It would appear the lack of



continuity and corporate memory in the ministerial aspects of the management of projects can lead to failure, quite frankly. It is difficult, unless you have continuity of a Minister for a very large infrastructure project, for that Minister to be able to focus on the direction and get the direction of travel right. Some of these projects are absolutely enormous and change their Ministers like hotcakes—I am mixing my metaphors, they change them like their socks—and that cannot be good for holding on to success or preventing failure in the management of projects.

Sir Amyas Morse: A few years ago we did a report on the machinery of Government changes. We pointed out that changes in ministerial responsibility for activities and taking pieces out of one Department and putting them into another Department, for whatever purpose that was done, had a quite disruptive effect on the continuity of management and focus. I still believe that is true. I thought that was a significant contribution to the debate.

I would equally say that, with Ministers constantly moving portfolios, it must generally be the case that they do not know as much about it as they would have done if they had been there for longer. There was a period of time under the coalition Government when there was a long ministerial tenure. Generally speaking, as far as I could detect, there was deeper knowledge, but that is an impression only. It must be the case that if you are running a Department for several years you get to know more and more about it. That must be true, mustn't it? I do not think that is too controversial. You get something from that. If it is desirable not to have churn in senior responsible officers, it must be desirable not to have churn in any of the senior decision makers associated with these sorts of projects and programmes, I would have thought.

Q85 **Chair:** Do you think we encourage enough learning from success?

Sir Amyas Morse: We do report on success, but the trouble is that it gets so much less press interest than failure, I am sorry to say. There is quite good celebration of success within the civil service. I have been a civil service award judge now for all my time in the job and I attend the civil service award ceremony every year. They reward success. You may not be talking about enormous things, but you are talking about significant and important projects. That is very positive. To the extent we can recognise success, we do.

Q86 **Chair:** Sir Amyas, thank you very much for another evidence session in front of us dealing with projects, acquisitions and all that sort of thing. It seems we have had quite a few of those over the years. Some of the questions keep coming up and we have to keep saying the same things again and again. It is particularly interesting to hear of the things you think have shown long-term improvement. We will try to celebrate success by reflecting that in our report.

Sir Amyas Morse: Excellent.

Chair: If we do not have another opportunity to grill you again, thank



HOUSE OF COMMONS

you for all your appearances.

Sir Amyas Morse: I feel very well grilled, thank you very much.

Chair: I cannot remember which saint is the patron saint of being grilled, but a bishop recently told me that his last words were, "Shall we now do the other side?"