

Public Administration and Constitutional Affairs Committee

Oral evidence: The work of the Cabinet Office, HC 118

Tuesday 29 September 2020

Ordered by the House of Commons to be published on 29 September 2020.

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Members present: Mr William Wragg (Chair); Ronnie Cowan; Jackie Doyle-Price; Mr David Jones; Navendu Mishra; David Mundell; Tom Randall; Lloyd Russell-Moyle; Karin Smyth.

Questions 287-379

Witnesses

I: Alex Chisholm, Permanent Secretary to the Cabinet Office and Civil Service Chief Operating Officer and Richard Hornby, Chief Financial Officer to the Cabinet Office.

Examination of witnesses

Witnesses: Alex Chisholm and Richard Hornby.

Q287 **Chair:** Good morning and welcome to another hybrid session of the Public Administration and Constitutional Affairs Committee. I am in a Committee Room in the Palace of Westminster with our witnesses and some of my colleagues; the rest of my colleagues join us down the line. Our witnesses today are Alex Chisholm and Richard Hornby from the Cabinet Office. Starting with you, Alex, would you introduce yourself for the record, please?

Alex Chisholm: Thank you very much, Chair. I am delighted to be here. I am Alex Chisholm, permanent secretary of the Cabinet Office and chief operating officer of the civil service. I am here with Richard Hornby, the chief financial officer of the Cabinet Office.

Q288 **Chair:** Thank you both very much indeed. Alex, the Cabinet Office budget has more than doubled in the last five years. Why is that the case?

Alex Chisholm: It is a substantial increase, and there has been a lot of change in that time. The Cabinet Office that we have today is only barely recognisable as the Cabinet Office we had five years ago. Just to consider a few of those changes, you will remember that, at that time, there was a big move to create cross-cutting Government functions, and as part of that a large number—several hundred—of the commercial officers working



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across Government came on to the Cabinet Office's books. That was also true for a lot of people working in civil service human resources, including 2,000 fast streamers who are, of course, working across the rest of Government but technically sit on the Cabinet Office's books. We have also acquired a number of additional responsibilities over that time: I suppose that the most significant of those, bearing in mind that 2015 was before the referendum, is that we have had a lot of additional work and resources to do with EU exit. That has caused a substantial increase in our resources.

Q289 Chair: With that growth in mind, your resource spending is forecast to decrease next year. Given that it has risen significantly in the light of those changes, how realistic is that and how likely is it to be achieved?

Alex Chisholm: We are obviously in a process at the moment of trying to determine the overall Government expenditure for the next three years for RDEL resources as part of the comprehensive spending review. We are at the stage of having laid out some of our plans and ambitions, but we have not yet received confirmation of what will be affordable within the overall envelope for Government.

I could point out a few areas of likely expansion and contraction, if that is helpful to the Committee. First, from the point of view of contraction, we have clearly already left the EU, but we will have completed the EU transition process at the end of this calendar year. There will be continuing work, particularly in relation to the border, but I expect the number of resources devoted to EU-related work to go down considerably. I would also expect that to be the case in relation to resources devoted to covid. Clearly, we are right in the midst of it now, but I would not expect by this time next year to have anything like the number of people we currently have engaged in that activity.

Q290 Chair: How many do you currently have engaged on the covid response in the Cabinet Office?

Alex Chisholm: That number changes from week to week. At the peak, it would have been over 1,000 people in the Cabinet Office. I wouldn't be able to say exactly how many this week, but that gives you the order of magnitude. It would be less than that now—more like several hundred.

Coming back to other changes that we would expect over the next three years, next year we are hosting the G7, so there is a substantial team doing that, but it is a one-off event for us—at least, it will not be repeated for many years. COP26 is next year, and over 100 people are already working on that. That team will mostly demobilise after the event, which is November next year. Then we have two major inquiries—the Grenfell inquiry and the blood inquiry—which obviously need to proceed to their own timetables, but will be completed over that spending round period, I am sure, and those people will be freed up from their work. Those are all, if you like, cyclical changes.

Your Committee will be aware that the move that I described before, of centralising some resource for functions, continues. It is likely that we will



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continue to build up digital and data resources. You will have seen that we are looking to recruit a new Government chief digital officer as part of that. You will also have seen the announcement that there is a proposal to create a single employer structure for communications, meaning that a substantial number of communications staff currently on the books of Departments will come onto our own books.

Q291 **Chair:** They will all be transferred, will they?

Alex Chisholm: It is very unlikely to be all of them, but it will be a substantial number of them. That will increase our head count, though probably in the context of a decrease in the overall number of communications staff. That has happened in this financial year because we have taken on responsibility for security vetting. We have a team of several hundred people doing security vetting. That was originally a merger between the MOD and the Foreign and Commonwealth Office, as it then was. Those people are now Cabinet Office staff. Similarly, there is a group that used to be in HMRC that is now doing border protocol and delivery work, and that has now come over to the Cabinet Office. In all that, you can see that there is movement of people within Government for various reasons but not, for the most part, representing a net increase with the notable exception of EU exit work.

Q292 **Chair:** Thank you for that overview, it is helpful. Could I quickly touch on an issue of redundancy and contract termination payments? You mentioned absorbing the staff of the Department for Exiting the European Union. I believe that, in addition to their salary, the former permanent secretary of that Department was paid in excess of £300,000 redundancy. How does that represent value for money for taxpayers?

Alex Chisholm: That payment, which indeed appears in our accounts, was made in line with the terms of the Civil Service Compensation Scheme and represents money that was probably owed to that person having regard to their length of service, contractual rights, and all other relevant factors. There has been a long-standing public debate about the cost of some of the exit payments, and the Government announced in the 2015 manifesto their intention to put a £95,000 cap on exit payments. That was introduced in spring this year and has moved through both Houses. That £95,000 cap is now ready to be adopted by Parliament.

Q293 **Chair:** Not wanting to dwell on one particular official, was there no other role they could have taken on? Is that quite common?

Alex Chisholm: That would have been the first consideration: whether there is a comparable role to which that person could move, to which they would be suitable. Obviously that question was answered in the negative.

Q294 **Chair:** You mentioned the £95,000 cap which is indeed in the 2015 manifesto. Has the regulation been laid, is it imminent?

Alex Chisholm: It has gone through both Houses and I think it is just waiting for adoption, which may be a matter of days away.

Q295 **Ronnie Cowan:** I want to concentrate on the role of non-executive board



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members. Recently, four new non-executive directors were appointed. What is your working relationship with those new non-executives?

Alex Chisholm: Thank you very much indeed, Ronnie, if I can call you that. Would it be helpful to describe the process by which we came to recruit those non-executives?

Q296 **Ronnie Cowan:** First, what is your working relationship with them? We can move on to recruitment after that.

Alex Chisholm: I arrived in the Cabinet Office in the middle of April. At that time, we were a bit under the recommended number of board members, so shortly after my arrival I sat down with the Chancellor of the Duchy of Lancaster and other Ministers, and we agreed that we should look to replenish the ranks of the Cabinet Office board, especially as a number of people had stepped down in the preceding era and there had not been a board meeting for a period of time. I am a strong believer in corporate governance and boards, and we were keen to have a very effective board. We advertised an open competitive process and we had, I think, 163 applications. We had to go through a sifting process for that.

Q297 **Ronnie Cowan:** We will come to recruitment in a minute. What is your working relationship with the non-executives?

Alex Chisholm: My relationship with the non-executives is, as you would expect with the board members, that I meet them at board meetings. I sometimes have pre-meetings with the lead NED, who is Gisela Stuart, and then I would have bilateral one-to-ones with individual board members on particular types of issues. For example, Bernard Hogan-Howe helped do an assessment for us about our readiness at the borders and the port arrangements down at Dover, and with Simone Finn, who has a background in civil service reform, we have discussed the plans for civil service reform on a number of occasions. That probably gives you a sense of how I would work with them, and that is true, of course, for other senior executives within the Cabinet Office. There is a mixture of formal board meetings and—

Q298 **Ronnie Cowan:** They are part time. Is it two days a month, or something like that?

Alex Chisholm: For the board members, at least that. One of the things I remember about when I was interviewing them was that I was advised to put them on notice that they might find it would be rather more than two days a month, and that is certainly my experience. They work extremely hard, and they have really got to grips with the workings of the Cabinet Office, which as you know is a big and complicated beast. They are undoubtedly adding value, and I am grateful for their work.

Q299 **Ronnie Cowan:** So for the selection process, the positions are advertised on the Government website.

Alex Chisholm: Yes.

Q300 **Ronnie Cowan:** And it says they are appointed on merit, reflecting ability

and experience. How do people apply for these jobs?

Alex Chisholm: It is an open and competitive process. As I say, we received 163 applications: people sent in a letter describing how they met the requirements for the advertisement, and a CV. There was then a longlist-type process and a shortlist-type process. All of the shortlisted candidates were interviewed in early May by a panel that I chaired together with Henry Dimbleby, who is the lead NED at DEFRA, and Alice Miles, who is director of strategy at the Office of the Children's Commissioner. From that, we made recommendations to Ministers, and they accepted those and appointed those four additions to the board: Gisela Stuart, Henry de Zoete, Simone Finn and Bernard Hogan-Howe. They joined the existing NEDs: Karen Blackett, Anand Aithal and Mike Ashley.

Q301 **Ronnie Cowan:** The ministerial code was changed to state that non-execs should primarily be appointed for their commercial and private sector experience. Nothing personal, but I am looking at the four new non-executives, and I am not seeing a lot of commercial experience there.

Alex Chisholm: Thanks, but I would politely disagree with you on that point. Mike Ashley was a senior partner in one of the major accounting firms and sits on the board of Barclays, the well-known international bank.

Q302 **Ronnie Cowan:** No, the four new appointments: Lord Hogan-Howe, Baroness Finn, Henry de Zoete and Gisela Stuart. For Gisela Stuart, this is her first appointment outside politics.

Alex Chisholm: Briefly, and not to be argumentative, but I think that if you look at the three existing members, all of those have business backgrounds, Anand Aithal as an entrepreneur and Karen Blackett from WPP, a big international media company. We had a lot of business experience already. I suppose the most businesslike of the new members would be Henry de Zoete, who has been a successful entrepreneur. Simone Finn also works in business; I would not say that she would set herself out primarily as a businessperson, although she is in fact a qualified chartered accountant.

Q303 **Chair:** I wonder, Ronnie, if I could just come in at this juncture. Baroness Finn was apparently co-founder of Francis Maude Associates. Is that the same Francis Maude who is again reviewing the Cabinet Office and what it does, which we will come on to?

Alex Chisholm: That is exactly right, and I can talk about the Maude review if it is helpful.

Q304 **Chair:** And was Mr de Zoete not a special advisor to the current CDL?

Alex Chisholm: He was indeed, yes.

Q305 **Chair:** I have nothing to say against any of these people, but what is the role of the board? Is it to impartially oversee the work of the Cabinet Office?



Alex Chisholm: Yes, indeed. It is support and challenge, and it is probably fair to say the board is still coming together. We have had three board meetings since this new group was appointed and we have discussed a wide range of issues, ranging from the policy-related issues around how the Cabinet Office is being organised to deal with EU transition, the challenge of covid and the Union to our plans for civil service modernisation and reform. They also provide an important supervisory function; they have been involved in assessing the so-called zero-based review and in plans for future funding, which is the spending round bid for attempts to reshape the Cabinet Office to make it more efficient and agile. They have been extremely energetic. I should mention also that, as well as the formal board meetings, a number of the board members have put in a lot of time on panels to review 33 different business units of the Cabinet Office as part of the zero-based review.

Q306 **Chair:** I will just make clear that individually, I am convinced they are all excellent; I just wondered whether you had any comment on any possible perception that there might be that they may not, as a collective whole, be necessarily seen as completely impartial.

Alex Chisholm: One of the considerations we had was that it is important that they should be free to challenge us and to exercise independent judgment. My experience of them to date is that they are very independent minded as individuals and as a collective and have not been shy about challenging either myself or indeed the Chancellor of the Duchy of Lancaster. It is an opinionated, experienced and very diverse group, and I am satisfied that they are exercising a proper support and challenge function.

Chair: Before we go to David Jones, can I bring in David Mundell with a supplementary question, please?

Q307 **David Mundell:** It is not a very diverse group in relation to the United Kingdom, is it? You have just cited that the Union is a priority for your Department, and we will come on to that. What is the experience of both the new appointees and existing appointees of Scotland, Wales and Northern Ireland?

Alex Chisholm: It is a fair question in the sense that one option might have been for the Cabinet Office board and, indeed, other boards to have a specific member for Scotland, for Wales and for Northern Ireland, or, indeed, for substantial different parts of England. The approach we have taken is to try to make sure that there are people on the board with sufficient interest and understanding of the Union. For example, David, you would probably know Gisela Stuart as somebody who takes a keen interest in Union issues and has done for some time. The approach would be to try to find people who are interested and informed about the Union rather than representing different parts of the UK.

Q308 **David Mundell:** I don't think I was suggesting representatives as such, and I know Gisela's interests, but for a board representing a Department that has a fundamental role in the Union and keeping the United Kingdom



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together, don't you think it would have been a reasonable expectation that there might be somebody on that board who had more direct experience of working with devolution or working within the environment of Scotland, Wales and Northern Ireland?

Alex Chisholm: There has certainly been some experience there. It might be worth also highlighting an initiative that we took just a few weeks ago to introduce policy fellows into the Cabinet Office. Again, that has been an open recruitment process, which we are in the closing stages of. As part of that, we had a particular focus on people with expertise in relation to the Union and have been able to acquire some new talent to help to advise Ministers in the Cabinet Office and to work alongside civil servants, so I think that is probably an indication that we agree with you on your question. It is incredibly important for us to be able to draw on expertise in relation to the Union.

David Mundell: We will come on to the Union, but as per the Chairman's question, in terms of perception, for a Department that is fundamental to keeping the United Kingdom together it is disappointing that there is nobody on that board, not necessarily in a representative capacity, but with significant experience of any of the devolution settlements.

Chair: I very rudely cut Mr Cowan off, who had not quite come to his peroration earlier, so we will just go back to him for that.

Q309 **Ronnie Cowan:** Thank you, Chair. I thank Mr Mundell for picking up my train of thought, there, because that is exactly where I was going to go. One other thing, just before I finish: you correctly said that non-executives provide advice and challenge to Ministers, but can you give me one example of a positive impact from a non-executive director since you became the permanent secretary?

Alex Chisholm: I could give a number, but maybe one to pick on, as I have mentioned it already, has been that Bernard Hogan-Howe, who you will know was a former police commissioner—there are two things I could pick out immediately from what he has done already. One was that he had an excellent session with our senior management team about dealing with crises, which, obviously, as a former Met Police Commissioner he would be no stranger to, and how to organise for that and how to manage a team through that process. He also did a specific piece of work: he went down to Dover, inspected the facilities there, met a number of people there, produced a report—and that has been extremely helpful to the border and protocol delivery group and to Ministers in the Department in their planning for some of the more operational aspects of managing the border as we get towards the end of the year.

Q310 **Ronnie Cowan:** So what would I have noticed from that? I am not aware of an improvement in the management of the border at Dover.

Alex Chisholm: It is probably not the case that you would notice, because this would be advice to Ministers about how to prepare as effectively as possible to the end of the year, and we are in the process of setting up a borders operating hub, which will be operating in Victoria



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Street, which will have very close oversight of the flow of people and goods through the border. The design of that centre and the way in which it operates, and when it is set up, and the people who work there, and the rostering and the information flows available—all of that reflects advice from Bernard Hogan-Howe.

Q311 **Chair:** Is he producing a report?

Alex Chisholm: He has given both spoken and written advice to the Chancellor of the Duchy of Lancaster and to myself.

Q312 **Chair:** Is that published?

Alex Chisholm: No, because as part of this challenge and support function that our non-executive board members provide, if everything that they provide by way of advice has to be published, that probably limits both the ability to speak with full candour on these matters, and also would provide a terrific burden for the Department for publication purposes, because they are providing advice every day.

Q313 **Chair:** So not two to three days a month?

Alex Chisholm: No. As I said, at the outset I did try to warn them that they should expect to be engaged rather more than the minimum hours suggested by the terms.

Chair: Very good. Could I go to David Jones, please?

Q314 **Mr Jones:** In 2018, after the collapse of Carillion, the Cabinet Office provided the official receiver with £150 million to ensure the continuity of services that were provided by Carillion. What were your Department's expectations when that money was provided, and to what extent have they been met?

Alex Chisholm: I will speak briefly to that and then I might call, if I may, my colleague Rich Hornby, because I was actually at that time permanent secretary in the Department for Business, Energy and Industrial Strategy, so I saw Carillion from a different perspective there, but I know what happened. At that time, you will recall, David, although the company had sought an additional financial subvention at the last minute from the Cabinet Office, the Cabinet Office decided that would not be a good use of taxpayers' money. It went into liquidation and we decided to manage our way through that liquidation.

There was a good plan for managing the 98 contracts—key contracts that are identified across the public service. They were transferred over to, in many cases, other parties, because you would have a consortium or a kind of joint group of companies responsible for providing those services. In other cases they were brought in-house, and in a third category, they were then re-let in a new competition process. The actual carrying over of the contracts was well done.

To maintain the operations of the company in administration, funding was provided—£150 million, as was recorded in the accounts there—from the



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Cabinet Office. Since then, it is a kind of work-out type regime. Different parts of the business have been sold, some have been transferred, and for others, other people have taken up the contracts. It has been possible to get some of those moneys back, and I think approximately £50 million has been returned to the Cabinet Office so far. I am pleased to say that the latest update published by the official receiver shows that we should expect to receive considerable additional funds in the order of magnitude of about a further £40 million or so. Although it is carried in the accounts at the moment as a contingent asset, I think, of £99 million, when we update the accounts at the end of this year, that will show a substantial improvement, probably in the order of magnitude of about £40 million.

Q315 Mr Jones: Your accounts acknowledge that it is unlikely that you will be recovering all £150 million, so on the basis of the figures that you have just provided, would it be right to assume that the total loss will be something in the region of £82 million to £90 million?

Alex Chisholm: Closer to £60 million, I think.

Richard Hornby: Yes—the latest update from the official receiver is that they expect the work to cost between £60 million and £70 million. We show that sum in the accounts as a contingent asset rather than as a debtor, because we are uncertain as to the timing of any repayments and the exact amounts. When we became more certain on timing and value, we would classify it as a debtor and bring it on to the balance sheet.

Q316 Mr Jones: So there is going to be a significant loss to the taxpayer as a consequence of the bailout?

Richard Hornby: The judgment call is to see whether that would be a greater loss than if there had been no support to the official receiver; if all the contracts had collapsed and all the jobs were lost, and if all the services to support really vital buildings had not been continued.

Q317 Mr Jones: In your judgment, it would nevertheless be good value. Is that right?

Richard Hornby: The judgment at the time, to provide £150 million-worth of working capital to the official receiver, was judged to be good value for money. At the moment, we have no cause to criticise or cast doubt on the work of the official receiver thus far. This is an enormously complex piece of insolvency. At the moment, the official receiver still needs working capital to defend against any action by employees, for any outstanding litigation expenses, for inter-company balances that still need to be resolved, and for storage costs, data retention and ongoing litigation and recovery. There is no surprise that that degree of working capital is needed to make sure that services continue.

Alex Chisholm: If I may just add a word, if one were trying to do a complete totalisation at the end of this, one would have to include in that computation the benefit of the continuing employment for several thousand people that was provided by having the orderly, managed process of administration that we funded. During that process of continued



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employment, the companies and the employees would have been paying taxes and national insurance and so on. I would be very confident that we would be substantially in the money if you added all those figures in as well.

Q318 Mr Jones: How long do you anticipate it will be before the official receiver's work is completed?

Richard Hornby: We have no certainty at all over time. That is one of the tests for showing something as a contingent asset rather than bringing it on the balance sheet. I am too uncertain as to the length of time that all of the money will take to be repaid.

Q319 Mr Jones: Okay. Can we turn now to the issue of working patterns in the Cabinet Office? The Prime Minister announced on Tuesday that the advice was now that officials who could work from home should work from home. Mr Chisholm, before that announcement, how many days a week were you working in the office?

Alex Chisholm: The method that I have taken, since it has been possible to return to the office, has been to mix up my days in the office. When I have needed to come into the office I have done so and at other times I have worked from home. It has varied, so some days—one to four days. I have not worked an entire week in the office nor an entire week at home since starting at the Cabinet Office in April.

Q320 Mr Jones: Okay. What implications would you say the Prime Minister's announcement has on the working arrangements for Cabinet Office staff?

Alex Chisholm: Clearly, it is a substantial change and it affects us like any other employer in the country. We were in the process of trying to get rather more staff to come into the office, for their own welfare interests, for cohesion and for the productive working of colleagues in the Cabinet Office. Clearly, we have had to stop those efforts because the instruction from the Prime Minister, which applies to us all, is to work from home if you can. While making sure that there continues to be good support for Ministers, good quality policy advice and a focus on public services, we obviously need to allow more people to work from home.

On the proportions, I think the Chancellor of the Duchy of Lancaster wrote to the Committee a couple of weeks ago and described an increase, week on week, in the number of people working in the Cabinet Office. I expect that will show a decrease over the next week, as more people need to work from home to reflect that guidance.

I am happy to reassure the Committee that we have been working successfully in this model, with most of our workforce working from home. We have had very good support and connectivity from the digital technology platform and from HR practices. Staff have shown commendable resilience and commitment to work throughout this difficult period of the pandemic.

Q321 Mr Jones: Are you concerned that officials have less of an opportunity to learn from one another, particularly younger officials learning from more



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experienced colleagues, if they are working at home?

Alex Chisholm: Yes, there is something of that. People have made use of a lot of online learning opportunities. To some extent, the online channel that we are using today allows for broad participation. I have done a number of events where I have talked to hundreds, sometimes thousands, of civil servants. Those are interactive events, as you know. A mass of comments and questions come in, probably more so than would have been possible if you had had a face-to-face event.

In some respects, online has been good for engagement and there have been lots of opportunities for learning. If I might presume to guess, the sentiment behind your question is that sometimes a certain type of learning from each other is easier done by direct observation and it is difficult to fully replicate that online. I am very sympathetic to that, which is one reason why we were trying to get a few more people back into the office. Regrettably, due to the public health situation, we need to cut back on those efforts now, but we will resume them when we can because we believe that there is a benefit to working together in workplaces.

The modern workplace—the Cabinet Office, despite its ancient roots, is a relatively modern workplace—is much better set up for work than most people’s homes. I am incredibly sympathetic to people who are having to work from bedrooms or in shared accommodation, which is not ideal for doing day-to-day work of the kind that we do.

Q322 **Mr Jones:** What lessons will the civil service learn from the response to the covid pandemic in terms of the Government’s estate strategy? Clearly, if this is going to be a pattern that will continue for some time, I would have thought that the need for such a large estate is going to diminish.

Alex Chisholm: I think you are right about that. It is a push me, pull you effect at the moment. The short-term effect is that the number of people able to work in Government offices is considerably reduced. We were looking across the Government estate, and in most cases it was between 20% and 40% of the previous capacity due to the requirement for social distancing rules, which obviously we are experiencing here in the House of Commons now.

Looking beyond that to when we get out of the crisis, you are right to suppose that we have shown that this hybrid model of working, with some people working in the office and some people working at home during the course of every week, is actually very sustainable, very efficient and works well for many staff and the lives that they have outside the office. Looking at all that together, I think you are right that the so-called stack rate—the number of people you can get into a given building—will probably go up after the pandemic, because you would not assume that they will all be attending on the same days of every week. That will mean that we will indeed be able to have a smaller, more efficient, lower-cost estate across the UK.

Q323 **Mr Jones:** Do you anticipate that if in fact we do move to increased



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working from home, there will be an equality impact assessment before Departments are asked to move to more home working on a more permanent basis?

Alex Chisholm: We hope not to put it on to a permanent basis, because we still regard this as a temporary phenomenon. Although it looks like it is going to be with us for several months more, that is still very different from permanent. Absolutely, we have done equality impact assessments, and we will continue to do so as we are required to do them.

To add to your previous question, thinking about your background as Secretary of State for Wales, a point that was made by the relatively new head of the Welsh Government civil service is that it has been a great benefit for people working in different parts of the UK to feel that, whereas before there had sometimes been a sense that you needed to come to London for a meeting—that is something I have also heard from colleagues in Scotland and, indeed, the north of England and Belfast—the pandemic has had quite a strong levelling effect. Everyone is working on screen, and even when you come in to a face-to-face meeting in the office, there is always a screen there, as we have now, and it is a hybrid meeting. Some of the people are face-to-face and some people are on the screen. People used to feel that they were having to rush up to attend some meeting in Whitehall. We want to move away from that and accelerate our efforts to have a Government for the UK from the UK, positioned in offices throughout the country.

Q324 **Mr Jones:** You mentioned that you hoped that the reduction in staff—their displacement to home working—was not going to be a permanent thing, but surely, given what you just said, there is a feeling within the civil service that a continued element of home working is going to be a good thing. Therefore, is it not the case that there will inevitably be fewer officials working from Whitehall?

Alex Chisholm: Yes, in short. There will be fewer officials working from Whitehall, partly because we want to reduce the number working in Whitehall and the size of the Whitehall estate anyway. You are absolutely right that one of the positive impacts of the virus is that it has shown the potential for this hybrid working—this mix of online and face-to-face—and I am sure that will be a permanent feature.

By the way, this is not just unique to the civil service and the Cabinet Office; it is true right across Government and right across the economy, not just here but elsewhere. I have seen estimates in the US, where the proportion of people working from home, which has been about 15% for long periods of time, has now been upgraded in the long-term estimates; they think it is a big secular shift. You are absolutely right.

The only tiny point on which I did not exactly agree with what you said is that I was making the point that people wouldn't be permanently working from home—they wouldn't be home workers. We have a small number of people who are actual home workers across the civil service, but for the most part, people's place of work is a designated office. Even if they come



into the office once a week, that is still their place of work, and in most people's cases it will be a number of days a week.

Q325 **Chair:** When will the new estate plan come forward? You have indicated the need for a smaller estate. When might we expect that plan?

Alex Chisholm: We are working very intently on what we call Places for Growth, which is the name given to this programme. It has been running for a period of time and it has two main elements from a simple estates perspective. One is to consolidate and rationalise a number of offices across the rest of the country into a smaller number of more substantial and modern hubs. HMRC, the Revenue, has been particularly driving that process, moving to, as I say, a number of substantial new hubs that are based in cities for the most part.

The second dimension has been to try to reduce our London-centricity, to try to reduce the number of people working in Whitehall, partly to enable us to recruit and retain, and to support jobs right across the whole of the UK. We see that as being very beneficial for the areas where civil servants are working, hence Places for Growth. We are accelerating that programme as we speak.

Q326 **Chair:** And in accelerating, when can we expect it?

Alex Chisholm: The programme continues to unfold. I anticipate that there will be some announcements in the weeks ahead, which will manifest that. You will remember, for example, that in the Budget back in in March the Chancellor said that there would be an economics ministry in the north. Obviously, that will make a lot of people interested and curious to find out whereabouts that would be. That will affect not only the Treasury but a number of other Departments. So, that is one thing.

Also, I know that a number of Departments and a number of Secretaries of State are looking to increase the amount of time that they spend working out of offices outside London, again as part of this shift towards a strong UK-based civil service.

Chair: So, imminently.

Q327 **Lloyd Russell-Moyle:** I just wanted to check something. The Prime Minister has now said that those who can work from home should do so. Have you conveyed that to the Departments—that it will now be the default position that people will be working from home and not now returning?

Alex Chisholm: Thank you very much for your question. An important point here is that the employer is the Department. Conditions vary quite considerably across different parts of the civil service. I am very conscious that although my Department includes a lot of people who would conventionally be called "office workers", that would not be so true, for example, for people working in Border Force in the Home Office, or prison officers in the Ministry of Justice, to mention just two examples.



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We do not generalise too much. The responsibility is on the employer, which is the Department in each case, to consult with their staff, to consult with representatives of their staff—unions and so on—and to put in place practical arrangements, both to preserve safe working environments for staff and to respect the latest guidance, which you have just referred to.

Q328 Lloyd Russell-Moyle: So you, and the Cabinet Office, have not said to your own staff that the default position for those who are not needed on the frontline should be to stay at home.

Alex Chisholm: We have issued, as all Departments will have done, guidance to our own colleagues as to how to act in this fashion. That means even within the Cabinet Office that we do not generalise too much, because, for example, people working on our national security need to have access to documents and to facilities that are not available to them from home. So, they would have a strong case for being—

Q329 Lloyd Russell-Moyle: I feel like you are not understanding me. When I say “default position”, I do not mean that everyone should stay at home and never leave. The default position normally is that you work in the office; sometimes you might work from home, if there were certain reasons that you would need to do so, or work from another office. If the default position is working from home, it means, “I work from home and sometimes I have to come in if there are particular needs”. Have you communicated to people that unless there is a particular need for them to be in the office the default position for the Government Department that you are in charge of, and for other Government Departments if that is relevant, should be that they stay at home, as the Prime Minister requested?

Alex Chisholm: Absolutely. Within hours of the Prime Minister’s statement, I sent a full copy of exactly what he said to all other Departments, and we have obviously drawn on that in our own guidance to colleagues in the Cabinet Office. That is why you will see that the number of people attending the Cabinet Office and other Departments will be reduced.

Again, however, I will just emphasise that I am very conscious that a lot of people who are providing frontline public services do not have the opportunity to work from home that some other people, including people in my Department, have. We try not to set a general rule across the piece, while also respecting the legal responsibilities of employers.

Q330 Karin Smyth: You have alluded to some changes, and we are obviously in the middle of massive changes, so we appreciate that this is difficult, but the Comptroller and Auditor General did put a note on your accounts about the uncertainty around the value of properties. How is that affecting how you are managing the estate strategy?

Richard Hornby: Thank you—a very good question. As part of the final audit, the NAO brought to our attention the importance of valuing property. That is entirely to be expected. Within the Cabinet Office, we have the Government Property Agency. The valuation of any leases or



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freehold will have a material impact on the financial standing of the GPA; and because of the growing size, as the permanent secretary said earlier, of the GPA compared with the Cabinet Office, there will then be a material impact. That is not to say that we are rubbish at valuing property or that there is massive room for improvement, although we can always get better, but the act of valuing property is now and should become far more important, and you will see notes to many property-based companies in the public and private sectors, drawing the reader's attention to the importance of how property was valued. I think that will become more important next year with the introduction of IFRS 16 and the introduction of leases on to the balance sheet. The valuation of those leases will also be subject to scrutiny.

We tend to use periodic valuations and indexation. Naturally, in those circumstances, the reader of accounts might say that there could be less demand for office accommodation in the middle of cities, based on the conversation that we have just had, so how, then, during this financial year, Cabinet Office, have you valued those properties? A reader of the accounts might see a balance sheet with a lot of properties on there and go to the valuation methodology. That is the Comptroller and Auditor General bringing to the attention of Parliament and any reader of the accounts how important it is that the Cabinet Office pay particular attention to the valuation of its property. It may be that there is a larger Department that has a proportionately smaller holding of property and so, even if that was out by a factor of 5% or 10%, overall it would have no impact on the balance sheet. It does for the Cabinet Office, because of the inclusion of the GPA.

Q331 Karin Smyth: You have a complex set of judgments to make, regardless of the pandemic. With what we have just heard, your property ownership is obviously crucial to the operation of this part of London. How do you see the timings of those two decisions coming together, in terms of the occupation of all this estate and what we have just heard? When will we have a better idea of how that is looking?

Alex Chisholm: In answer to the previous question, I mentioned that there were going to be some announcements—I would expect—over the next few weeks about some new commitments around this move to transfer civil servants, or civil servant roles, out of London into other parts of the UK. The programme of creating these hubs has been running for a number of years now and is of interest to Members; Manchester, Bristol—in your case—Nottingham and others are all included in that programme. In many cases the buildings are being built, and some have even started to open. We have just opened Queen Elizabeth House in Edinburgh, for example.

That is a continuing programme. As we work through the programme, which is to transfer, I think, in total around about 22,000 roles outside London over the next decade and nearly 40,000 further roles within regions, that evolving programme of consolidation and movement is obviously going to need to continue to be updated in the light of the new stack rates—sorry to use that expression again—that we think will be



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emerging as we come out of the pandemic. We cannot move to those now, because actually it's the opposite problem now: we cannot get very many people into offices, and people are working from home. But we do think in future we will be able to get more efficient use of the estate across the whole of the UK. That will be good, because property—particularly in Whitehall and central London—is expensive, with a high rent or imputed rent. Indeed, the imputed rent is going to be applying to Departments, because even where we own the freehold, we are charging them a notional amount to try to show the economic cost.

Chair: Thank you. I welcome Mr Mishra to his first meeting of the Committee.

Q332 **Navendu Mishra:** Thank you, Chair. On this point, Mr Chisholm, you seem to accept that the hybrid model is sustainable and efficient for the future, and you want to reduce your property portfolio. Can you confirm that no one will be made redundant because of ongoing office closures?

Alex Chisholm: I probably cannot offer that generalised statement. In the Cabinet Office, where, as you know, I am permanent secretary, we have got no plans for redundancies—certainly not associated with our desire to move people across different parts of the country. I am aware that other Departments, at various points, as part of consolidation and movements of people, have entered into voluntary exit agreements and redundancy-type programmes with staff following due consultation, and it is possible that that might occur again. That is why I cannot offer that general statement.

Q333 **Navendu Mishra:** The reason I asked is because there is some concern from several staff members and representative organisations that office closures are being used as an excuse to get rid of staff. In particular, Her Majesty's Revenue and Customs is pressing ahead with redundancies due to office closures. I hope I was clear about that. I will move on to the next question—

Alex Chisholm: I might just add one other thing, which is that civil service numbers have increased quite substantially over the last five years, partly in response to extra work in relation to EU exit, and more recently also in relation to covid. I mention that because when we look forward at civil service numbers, I would expect them to go down because they are at a cyclical relatively high level and that is what I would expect anyway.

It is also the case that, when we look at, if you like, the overall pattern of recruitment and retention, one of the things that civil servants have said to me many times is that they quite resent having to come to London in order to further their career, especially for more senior ranks—we have done a lot of research about this—so the opportunity for people to build their careers in different parts of the country without this pull to London is well received and popular across the civil service. So, too, I have encountered through research we have been doing with our own colleagues in the Cabinet Office that many of them are positive about the



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opportunity for building their careers outside London even though they work in London now. That is being aware of what a wonderful city London is, but it does have some expenses from an accommodation and transport perspective.

Q334 Navendu Mishra: Moving on, what are your priorities for the Cabinet Office for your five-year term?

Alex Chisholm: Thank you very much for asking that very big and important question. From the perspective of the Cabinet Office, obviously the vital thing that the Cabinet Office does is support the work of the Prime Minister and the Government in delivering the priorities of the day. Those change, so we do have an evolving agenda. Right now, we are tremendously focused on dealing with covid and dealing with EU transition. I expect neither of those to be our focus a year from now. However, other priorities we have in relation to preservation and strengthening of the Union and work in relation to democracy and constitutional reform will come to the fore over the second half of that period. So the policy agenda changes and there will be new things that will come up which are hard to anticipate. There are other ones—as I mentioned, COP26 will be a big focus next year, and the G7 work will be a big focus next year. That is the changing part of it.

The second point, which I regard as more of an evergreen or constant priority for me, is to create a strong Department that is high-performance in every respect, which attracts fantastic talent from across the country and across the civil service, where people think it is a great place to work, and that they feel they can really let their talents shine and they can do important and useful work. Also, that we are efficient in that regard, that we align our resources to where the greatest need is and we work in a very modern type of way with good-quality data, good technology systems and high levels of skills. That gives you a sense of some of my ambitions for the Cabinet Office as a place to work for those who work there, and also providing ever more efficient and effective support for the Ministers we serve.

Q335 Navendu Mishra: How will the Committee be able to hold you to account for the delivery of your priorities over your term?

Alex Chisholm: It is for the Committee to decide how best to do that, but I have noticed, even in my relatively short time, that the Committee has been very assiduous, not only in taking evidence from Ministers—a number of whom have appeared in front of you—but also from me and from colleagues. I am back before you in two weeks' time and there has also been quite an active correspondence through the Chair with me and with Ministers. Those are important parts of holding us to account and I welcome and appreciate that. I hope you will find me attentive and responsive to your requirements.

Q336 Navendu Mishra: How can we, as a Committee, find metrics to help judge progress on delivering your priorities?



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Alex Chisholm: An excellent question, if I may say so. One of the things we have been focusing on—not just the Cabinet Office, but right across the civil service—is how to make delivery plans more meaningful and to increasingly be focused on the outcomes achieved, not just outputs in terms of the work done. As part of that, I have been working closely with colleagues in the Treasury, and we wrote to Parliament, to the Chair of the Public Accounts Committee, with some of our plans over the course of the summer. I hope the copy has come to members of this Committee; if not, we will make sure you have that.

As we are in exceptional times, with the combination of EU transition and, more importantly, covid, we do not think it made sense to have detailed plans now because any plan made in April or May would have been quickly overtaken by the events of the summer in relation to dealing with the pandemic. Instead, we have taken all of the plans and submissions made as part of the comprehensive spending round returns, which were submitted at the end of last week, and they will all go into making plans for Departments over the financial envelope—over the next three years for resource expenditure and four years for capital. From that, we believe it should be possible for every Department to say very clearly what they want to achieve in that first year and for each year thereafter, with a much bigger focus on this new public value framework. That is, clear metrics, not just to be good for us to try and guide our behaviour but also, importantly, for parliamentary accountability and accountability to our fellow citizens, to see what we are trying to do with the resources we have been given that is of public value.

Q337 **David Mundell:** Mr Chisholm, how well equipped do you think the Cabinet Office is currently to achieve the priorities and key tasks that you have set out? In response to my earlier question, you indicated that there was a need, for example, to bring in greater expertise on devolution and Union issues.

Alex Chisholm: Thank you for your question. In the times we live in, nobody could be 100% confident that we are fully equipped for the challenges we are facing. I have worked for a number of years in Government and I have never faced a situation as demanding, with the impact of the virus, which we are still dealing with, and its economic and social ramifications reverberating through all of our economy and society. That is very stretching as a challenge. We are also working to a very tight timeframe, as you know, to complete the transition process. Negotiations resumed again today and there is a great deal to be done to be ready for that and to make that a good experience for people. We are not just trying to get to the end of the year; we need to take the opportunity of having left the EU to reinvent very substantial new regimes and frameworks, so that is a massive task of creation. It is not just managing the transition.

Given those activities, plus the Union, which, as you know better than I do, needs a lot of work in order to preserve and maintain it to its full strength, and the constitutional reform agenda and a lot of things that I know we will have to deal with internationally—I can't say what they will be, but experience shows that there are always international global



developments requiring a lot of challenge in response from the Cabinet Office—it is a very stretching time to be working in the centre. People work very hard, for very long hours and in a pretty uncertain environment. With that, of course we would like more resources and more expertise, but we have been well served by the quality of the people working in the Cabinet Office. We have been well served by the enhancement in the skill levels on average in Government through the investments made in commercial and digital skills and in project management over the past several years, but we need to go further again.

Part of our civil service reform agenda is to improve what we call our porosity—I am sorry if you do not like the phrase; I am trying to think of a better one—to encourage the freer movement of people into the civil service with talents from outside and, indeed, to give civil servants the opportunity, as I have been lucky enough to have, to get some experience of working outside Government at one stage in their career as well. The extra expertise that we hope to get from that, plus better access to data, more modern and professional use of technology, including in future exciting technologies such as AI, better use of knowledge management, better use of workflow and other things, will greatly help us with the many changing and shifting priorities that we have to deal with.

Q338 David Mundell: Will that include ensuring that you have people within the civil service who have knowledge of other parts of the United Kingdom outwith Whitehall? How many people do you have currently in the Cabinet Office, for example, who have previously worked within either the Scottish Government, the Welsh Government or the Northern Ireland Executive?

Alex Chisholm: We do have some, but we do not have enough. I know that was a point that you raised with the Chancellor of the Duchy of Lancaster when he came before you on 12 September, and he said then that we are working on plans to improve the movement of people between those Administrations and ourselves in both directions. That is indeed the case, and I have been talking to my counterparts in the devolved Administrations about how we can best support that, because we think it is very important and very useful. That is organised activity, but we also want to make it literally easier for people to take up work locally.

In Edinburgh, for example, I mentioned the new hub, Queen Elizabeth House. It was originally going to be for HMRC, so it was going to have tax inspectors and the like—very useful if that was your profession, but not so useful if it wasn't. We now have more than a dozen Departments that are going to have officials working out of there, working on a much wider area of policy responsibilities. That will be good for the visibility of the UK Government in Scotland, it will be good for the connectivity with the people of Scotland, but importantly, it will also give opportunities for people to work there. That is replicated across all the devolved Administrations, not just in Edinburgh, but in Glasgow and the hubs there, for example. That is a big programme, and I entirely agree with the importance of that, which you suggest with your question.



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David Mundell: I very much welcome the fact that there will be other Departments of the UK Government operating within Scotland, if that is the case, and other parts of the United Kingdom, because these [*inaudible*] and therefore it is appropriate that they exercise those responsibilities, even within the devolved [*inaudible*]

Q339 **Chair:** Sorry, David, I think we are struggling with the vagaries of the wifi in Portcullis House at the moment. We will come back to you in a moment. No. 10 is nominally a part of the Cabinet Office, but operates with a far greater degree of autonomy than that would imply. As the permanent secretary at the Cabinet Office and its accounting officer, are you accountable for the No. 10 budget?

Alex Chisholm: Yes, I am. It is the case that No. 10 is part of the Cabinet Office for accounting purposes. At the beginning of every financial year, a delegation is made of that budget to the senior official there, as is the case for every other business unit across the Cabinet Office. That would give them an allocation of money and guidance on the correct use of that money in compliance with rules in relation to managing public money and all of that. Then through the course of the year, we look at the expense of that. We track their expenditure, the same as we do for every other business unit. That is as it should be from a correct accounting point of view, but, to echo the words of the Chancellor of the Duchy of Lancaster when he came before the Committee in September, nobody is in any doubt that we all work for the Prime Minister. I do not wish to imply any alternative from the fact that the accounts come to me.

Q340 **Chair:** Naturally. To what extent do you feel able to exercise that same level of oversight as you might do in other parts of the Cabinet Office?

Alex Chisholm: There is variation across the Cabinet Office. I have much more day-to-day involvement with some units than with others. The No. 10 group has a degree of autonomy in some of the activities they undertake. I have almost daily interactions with them, so we work closely together as a team.

Q341 **Chair:** You mentioned the delegation of that fund to a senior official. Who is that official, either by title or name?

Alex Chisholm: The senior official responsible for the budget in No. 10 is the principal private secretary to the Prime Minister. That is true for No. 10's own expenditure, but it is also the case that we work with No. 10 oftentimes on a lot of cross-cutting functional expenditures in relation to procurement, communications and technology and so on. Some of those would be cross-cutting rather than the responsibility of that particular official.

Chair: David Mundell has rejoined us.

Q342 **David Mundell:** Representing a large rural constituency, there is an irony that the line has gone down when I am in Portcullis House here in the centre. Mr Chisholm, can I ask you about the Cabinet Office's role in co-ordination both in respect of other Departments in Whitehall and in



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respect of the relationship with the devolved Administrations and the administration, for example, of the various JMC and other functions that seek to co-ordinate devolved Administrations and intergovernmental relations? How do you see that role in relation to the devolved Administrations in terms of bringing together co-ordination and joint working?

Alex Chisholm: How do I see it? It is a substantial and important part of our role. I know it is one that the Chancellor of the Duchy of Lancaster takes incredibly seriously and puts a huge amount of personal effort into. There are lots of different ways in which that manifests itself. On all of the work we are doing now, for example, in relation to covid and EU transition, we have put a lot of effort into trying to liaise closely with the devolved Administrations both on practical measures and the response, but also respecting the need to work legally together when there are changes in the law, and, very importantly, in relation to EU transition, the new common frameworks and intergovernmental structures that you referred to. That is a big focal area for the Cabinet Office and one that, of late, we have been putting even more resource and effort into than previously. That is challenging but important.

Q343 **David Mundell:** It does not seem to be going very well, does it? If we looked at the position in Scotland, and if I read the front pages of today's newspapers in Scotland, where the Scottish Government advise that they are not going to support, for example, the United Kingdom Internal Markets Bill, which they see as a major threat to the devolved settlement, that suggests that something has perhaps gone wrong in relation to co-ordination on that particular issue.

Alex Chisholm: I would humbly suggest that the quality of co-ordination of the Cabinet Office is probably not the only, or even necessarily the decisive factor in determining the attitude of devolved Administrations to the United Kingdom Internal Markets Bill. I know that effort was put into trying to communicate the intentions of that and to liaise on that, at both the ministerial and the official levels, but nevertheless I recognise that, as in many matters that come before Parliament, there is ample scope for people from different parties, backgrounds and perspectives to have disagreements over what the intentions and mechanisms being used are.

Q344 **David Mundell:** There is a fundamental challenge between what you are setting out as the role that you are trying to achieve by working together, and what is a fundamental difference between the UK Government and the Scottish Government in terms of what they see as the future of the United Kingdom, essentially. Your role is to work to keep the United Kingdom together and strengthen the Union; the position of the Scottish Government is that Scotland should become independent. How are your two roles reconcilable?

Alex Chisholm: Speaking as an official, not as a politician, my responsibility and that of my colleagues in the Department is to work within the regime that we have, and that is for a United Kingdom with devolved responsibilities. We work ceaselessly to try to respect that and to



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work in a collaborative and practical fashion, and to make sure that the Governments, working in unison, bring the best possible benefits to the citizens we serve. That is what I think people would expect of us, and that is what we try to do every working day of our lives.

Q345 **David Mundell:** Is it equally challenging to ensure that you have agreement across Whitehall on complex issues, such as covid, for example?

Alex Chisholm: Yes and no. I think that there are different types of tensions. The challenges of responding to covid have not been because of any fundamental differences of outlook or in constitutional arrangements, which obviously come into the issue with the devolved Administrations. Across Whitehall, the reality of covid is that for some Departments, it has been absolutely massive—if you worked in the Department of Health and Social Care particularly, but it has also made a huge impact on the Department for Education, the Department for Transport, BEIS and DEFRA, which have all been very much affected—but in contrast, other Departments have not been hugely affected, except as employers of a workforce. They have not been so affected by the challenge of dealing with it as a public health issue or, in the case of the Treasury, HRMC and DWP, as an economic-type challenge.

There has been an unevenness there, which has made a difference, but I do not think that there has been a challenge of co-ordination. As an observation, people sometimes say that there are rivalries between Departments or there is narrow, siloed thinking, but in fact, both the EU transition process and covid have had the effect of requiring people to act in response to a common necessity, working interdepartmentally very efficiently, very quickly and very much with a solution mindset. That has actually been a sort of unintended positive side effect of the challenge of dealing with covid.

Q346 **David Mundell:** If it had not proceeded so positively, do you have leave to require or encourage compliance of other Departments?

Alex Chisholm: On a compliance point of view, I try not to use that sort of language, because on the whole I find that civil servants and public servants are very motivated to try to do the right thing to serve the citizens. If there are differences of opinion, let's hear them out and look at the evidence. It is not so much a compliance-type issue, but ultimately there is the authority of the Prime Minister and the Cabinet system. The Cabinet Committee system has been very effective and very much to the fore. On both of the issues that you have described and set out, rightly, as the priorities—EU transition and covid—I think we now have a daily meeting of the covid operations committee, and the Cabinet Committee on EU transition meets three times a week. The level of interaction between Departments, and the surfacing of issues and the resolution of those issues will full ministerial oversight, has been a striking phenomenon throughout dealing with both of those challenges—the EU transition and covid.



Q347 **David Mundell:** Following that line, am I right to say that a committee for the Union has already been established?

Alex Chisholm: Yes, indeed, and I think that is partly to try to make sure that the proactive agenda for strengthening and upholding the Union is getting the right level of political direction, support and buy-in across Government, and that it is not seen as being something for the territorial offices or the Cabinet Office exclusively. It should be something that is pursued by every part of the Administration. On your previous point, we are trying to make sure that, as we shape all of our policies, we are very conscious about the opinions and impacts throughout the UK.

Q348 **Ronnie Cowan:** You keep on saying that the role of Queen Elizabeth House at Waverley station in Edinburgh is to strengthen the Union. Has any consideration been given to working more closely with the Scottish Parliament? Right now, the message from the people of Scotland is that we do not want to strengthen the Union. Will this be done in a collaborative fashion, or will it be forced upon us?

Alex Chisholm: In terms of working with the Scottish Parliament, I certainly had the experience of giving evidence to the Scottish Parliament on issues. I must say that that was a very good experience, and I would be very happy to do so again if that was helpful to them. The same goes for Wales, too, with the Assembly. There have always been Government offices in Edinburgh. The thing that is positive about Queen Elizabeth House goes to the point that David Mundell was just speaking to: it is not just the presence of one particular Department—HMRC—but lots of different Departments, which greatly improves the opportunities for daily positive interactions with the Scottish Government, the Scottish Parliament, the Scottish business community, the third sector in Scotland and so forth.

Chair: Thank you for your question, Ronnie, and for waiting patiently. Let's go to Jackie Doyle-Price.

Q349 **Jackie Doyle-Price:** I am never patient. I would like to ask a few questions about Lord Maude's review of the Cabinet Office. We read in the *Financial Times* that it has been triggered by ministerial concerns about poor performance. Can you share with us what representations Ministers have made to you about the reasons for this review? Are there any particular examples of poor performance that they wanted to highlight?

Alex Chisholm: Thank you very much for your question. Yes, I am happy to clarify more about this review. I believe that the Committee got a letter from Lord Agnew—Theodore Agnew, the Minister for the Cabinet Office. He was the person who instigated this review. What he said to me before doing so, and what he has continued to say—I think this is in that letter as well—is that the review is very much focused on the cross-cutting functions in the Cabinet Office, which were established by Francis Maude in his time in government.



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I think what Lord Agnew felt was that he wanted to go back and talk to the previous oracle, as it were, and say, "Look, this is what you intended with these functions, and the Cabinet Office controls that link to those. Can you tell me your observations about how it has actually played out since, and about where we have done exactly what you hoped for and expected, where we may have fallen short or strayed from the path of virtue, and where more effort is needed?" That is simply what he sought—and, by the way, Lord Maude has been doing this review at no charge. He has been interviewing people in those functions and other colleagues across Government, and will be providing personal advice to Lord Agnew in the fullness of time. We look forward to that very much.

Q350 Jackie Doyle-Price: When we heard evidence from Lord Agnew, we were quite impressed by what he had to say about his approach to all this. Following on from what you have just said about how the cross-cutting nature of covid and Brexit has perhaps highlighted how we need to break down silo working within Government, has that surfaced any particular issues in terms of how the civil service runs itself? I say that because we have had this culture of the generalist—some would say culture of the amateur—and, increasingly, the Government are getting involved in very complex things that require commercial skills. That was very much what we heard from Lord Agnew. Do you think that is what is at play here, or is it more about a behavioural culture, which is probably consistent with some of the criticism we have heard from more political elements of Government?

Alex Chisholm: On the impact of the functions, a widely held view across Government is that they have been really to the fore and hugely appreciated in our ability to respond to the challenges of covid that we have faced over the past six months or so. Just to give you some practical examples of that, GDS—the Government Digital Service—has had to stand up brand-new services to support vulnerable people, for example, in a matter of weeks or even days, providing vital support for people. At their peak, the services available through gov.uk have been used by millions of people every day. Since the start of the year, I think there have been 1.75 million new registrations for Verify, which enables people to confirm their identity in order to be able to receive services. That has particularly been driven by universal credit. The quality of the services available from the Government Digital Service has been to the fore.

That has, again, been hugely apparent on the commercial side, where we have been able to flow people—which was not really possible before without this cross-cutting function—to where the need has been greatest, such as procurement of PPE; being able to develop these new ventilators to meet the needs of the NHS; and now, working to try to help the test and trace operation get fully effective and fully functional. The ability to use these highly skilled people to help in the area of greatest need has been very much demonstrated and reinforced by the pandemic.

Having said that, I agree with what you and Lord Agnew have said, which is that we have further to go. In a way, part of the goal that I have as part of my time as civil service COO is to intensify that professionalisation of



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the civil service—to slough off, if you like, the last of the amateurish nature that you referred to, and to say that we are a very professional, highly skilled, well-equipped, dedicated and citizen-focused outfit, delivering very efficiently on the priorities of the Government. Doing that is an ambitious agenda of change, but that is what I am up for, and it is one of the reasons why I took this role.

Q351 Jackie Doyle-Price: That is very encouraging. What you have said is inspiring confidence in me, but we will hold you to that.

Coming back to what was reported in the *FT*, specifically it was said that covid had shown weaknesses in the Cabinet Office. Well, frankly, covid has shown weaknesses everywhere in Government, if the truth be brutally known, but, not for the first time, we see negative briefing about the civil service. Do you have any idea what was sitting behind that comment?

Alex Chisholm: I am afraid I do not speak directly to members of the press, so I don't have particular insight about that. But I would like to first of all recognise that certainly there will be many lessons that we will learn from the way in which we responded to covid. Some of those—probably a majority—will actually be positive, because some incredible feats have been accomplished as part of the nation's response.

I think it was extraordinary, with the establishment of the Nightingale hospitals and the ventilator challenge, just to mention a couple of examples. The development of the furlough scheme, which was done in a matter of days and has provided essential support to millions of people across the country—and not just as a matter of policy and as a regime, but the ability to deliver that through HMRC—has been incredible. At one stage, DWP were dealing with a surge in demand for universal credit support, where they had more people coming in by day than they had previously had in a whole month. All of this has required really impressive work from civil servants and public servants across the country.

I think that when the final reckoning is done, people will say the Administration has responded quite well. But obviously there have been errors along the way—things where we have found ourselves to be underprepared, to be missing some necessary skills, and not to have stockpiled certain types of materials. These types of things are very important. Also, as a nation, there is probably a little bit of a kind of reset in people's attitude to risk and the resilience of many systems, which work extremely well and very efficiently in good times—just-in-time, tight systems which work at very low cost and very well—but then you get something like this and you find that you haven't got the resilience available for when you meet something which is low probability but very high impact. That is probably something that, again, when we get the chance to reflect properly, will make some changes to our overall disposition.

Q352 Chair: Before I go to my colleague Tom Randall, you mentioned lessons learned in the future tense. I assume you already learned lessons from the initial phase of the response to covid. Is there a stark example that



stands out to you there?

Alex Chisholm: One of the things we have undoubtedly had to make changes to as we have been going along has been the structures in the centre, in the Government, for co-ordination. You will be aware that we moved quite quickly to these four ministerial implementation groups, and that worked well for a period. Then, around the end of May, I think, we moved to the current setting, where we have this double structure of a strategy group and an operations group. The operations group are now meeting every single day. This is a ministerial committee. That is a change we made in response to the changing circumstances.

We also have any number of operational changes. We were talking a lot earlier about creating safe workplaces. At the beginning we didn't know how to do that. Well, we know how to do that now. That has become a sort of core discipline. We were also talking about working online efficiently, for people to support colleagues to be able to do policy work. At the beginning that was a challenge for some Departments. We are now able to support all of our work—I think 99%—with a distributed workforce. So we have certainly made some important changes and learned some quick lessons as we have been going along, but the bigger and greater learning, I am sure, will come once we get out of dealing with it. I know the Prime Minister has indicated that he believes we should have that full inquiry process.

Q353 **Tom Randall:** Mr Chisholm, I was wondering if I could ask some questions about workforce issues. You may have touched on the first question in your opening remarks. The Cabinet Office staff numbers have grown rapidly, and they have continued to grow faster than any other Department. Could you explain why that is the case?

Alex Chisholm: Yes. I gave a few figures to try to speak to that, but I am very happy to add to that. The single largest number has actually come from the fast-streamers—the around 2,000 or so who now appear on our books. We have also added several hundred roles in relation to EU exit—several hundred more in relation to commercial folk operating across different Departments but who count towards the Cabinet Office headcounts. On other substantial groups, I mentioned security vetting, which is several hundred more people, and borders protocol delivery groups which is around 300 or so. We also have the equalities teams, which used to be in various different Departments—I think they have been in six different Departments in their time—and they have now ended up in the Cabinet Office as well. We have developed a new Office for Veterans' Affairs. In the main, these are roles that were being conducted elsewhere in government that have then been given over to the Cabinet Office for particular reasons. They are not an expansion in the net number of people, but they are a transfer from other Departments to the Cabinet Office.

Q354 **Tom Randall:** Does that transfer account for the rise?

Alex Chisholm: It does. There would be one or two areas within that where there has been, if you like, some organic growth. Certainly, I was



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highlighting that we are trying to build up digital and data capacity, so that is an area of organic growth. Obviously, if you compare EU transition work back to 2015, that was not something we were doing at all, so those several hundred new roles are net additions. But most of the rest of it has been transfers within the civil service, rather than expansion.

Q355 Tom Randall: According to the civil service people survey, of those who felt that they had been bullied or harassed only 54% reported it, and of those only 18% felt that appropriate action had been taken. That is among Cabinet Office staff. Does that concern you?

Alex Chisholm: Absolutely. It concerns me that anybody is reporting bullying, harassment and discrimination that they have either experienced or seen either in my Department or elsewhere in the civil service. Indeed, it is distressing that that is the case.

A couple of things happened in the Cabinet Office's own return from which I drew some slight comfort. One of those was that the confidence that people had in making a complaint had gone up a lot, because they felt that people were actually likely to take action as a consequence. Also, they had seen efforts being taken in their own area to improve the culture of the working environments so that people did not experience any bullying, harassment or discrimination. Nevertheless, I am not satisfied with the findings, and since I arrived we have instituted a major new programme of trying to address those issues. We now have a fair treatment champion, and we have added a large number of case officers. We have challenged all those units in the Cabinet Office that had high scores to tackle that, and we are keeping a close eye on their actions doing so. Every member of the senior leadership team has a specific objective relating to improving the diversity and inclusion of the Cabinet Office, so I am 100% committed to providing a really strong positive working environment for everybody who works in the Cabinet Office. An important part of that is dealing with those BHD cases, which are a small minority.

Q356 Tom Randall: You have experience across Whitehall. How do you feel that these Cabinet Office figures compare with other Government Departments?

Alex Chisholm: Cabinet Office figures are currently higher than some other Departments, but there was also a very big year-on-year increase of 10 percentage points in people's willingness to report BHD. You probably have to look at the reporting confidence level as well as the reported level—not to get too much into the stats. We are high on both of those. People are very likely to draw attention to issues that they see, which is a good thing because you do not want these things to be hidden or for people to feel that there is no point because no action will be taken. But the actual number of cases is on the high side. We do not want to be in that category at all, so that is how we stand in the cross-Government comparison.

Q357 Tom Randall: In August *The Times* reported that there were two units in No. 10 that were the worst offenders. To what extent do you think you



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are able to take steps to affect workplace practice and culture in No. 10 and, if necessary, discipline those responsible?

Alex Chisholm: I know there was some attention given to somebody working in No. 10 as a contractor, who made some deeply inappropriate remarks and, as a consequence, lost his contract and was only there for a few days. I would not want people to extrapolate from that.

Q358 **Chair:** With due respect, Mr Chisholm, I do not think that is the issue to which Mr Randall refers.

Alex Chisholm: Thank you, Chair. Although there are a number of political appointees in No. 10—a relatively high proportion compared to other business units or Departments—special advisers are subject to the same code of practice in all essential respects as civil servants. It is very important that they uphold those. We provide appropriate support, training and encouragement for them to do so. I would not expect No. 10 to be an exception from the good working practices and positive working environment that we look to exhibit throughout the Cabinet Office.

Q359 **Tom Randall:** So you feel that you would be able to take steps if necessary?

Alex Chisholm: Yes.

Q360 **Chair:** Could you give us an indication of what programmes you have introduced to address this issue? As parliamentarians, many of us have undertaken the Valuing Everyone training that was offered to us. Do you have similar programmes? Can you give us an idea, perhaps referring to Mr Randall's question, of the rate of take-up of those programmes?

Alex Chisholm: Yes. I do not have all the figures to hand, but I know that we have a lot of different types of programmes that are designed to try to educate, support and equip people to deal with all the challenges of working in the very diverse environment that we have today. Some people, as you will know, have done bit of formal training in relation to unconscious bias. Other people will have participated in programmes such as "Let's talk about race".

There is a whole suite of support that we give to managers about their responsibilities, about getting the best out of their workforce and about recognising all the different dimensions of diversity, and what that requires of a modern manager in a modern workplace. That has been something we have focused on.

One particular thing that I have tried to make absolutely plain to everybody in the Cabinet Office is that this is not something that is an HR function or responsibility exclusively; it is true for all of us. All of us who manage people have a responsibility to do that in an enlightened and responsible way. I think that message is getting through, and it will continue to be reinforced by me.

Q361 **Chair:** After the meeting, would you be kind enough to write to the Committee with full details of those programmes and their take-up by the



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different Departments? It would be extremely helpful if you could do that.

Alex Chisholm: I can certainly write to the Committee with details about the number of people attending. Whether we have the breakdown for different business units within the Cabinet Office, I do not know. We will certainly do what we can to give you the information that you have requested.

Q362 **Karin Smyth:** I want to talk about procurement during the covid-19 crisis, Mr Chisholm. The commercial function in the Cabinet Office provided the guidance and support for procurement in response to covid. How well do you think the Government have managed the risk to public money when undertaking emergency procurement during the pandemic?

Alex Chisholm: It has undoubtedly been a very challenging period for procurement. I have already given evidence to the Public Accounts Committee about some aspects of that. PPE is a striking example of that. At a moment when our demand for PPE was going through the roof—growing exponentially—that was true for most of the other major demand countries in the world. As a result, there was a genuine scarcity in our stockpiles, and our ordinary supply chains were inadequate for the amount that we needed. We had to scramble to get hold of new supplies from across the UK and across the world, and that required a pretty intense procurement effort. We were not able to do that in the ordinary, orderly way of saying, “Well, let’s put out an official notice and see who comes forward” and over a three-month process select the best bids for that, because it was literally a life-and-death matter, so we needed to move very quickly.

We also had to take a very expedited approach to ventilators, where we had a target of getting up to 30,000 ventilators from an initial stock of about 8,000, which we were able to do, but again it required very non-typical forms of procurement. I am very grateful and impressed, actually, by commercial teams across Government for the ingenuity they have shown.

Some of that is clearly not what you ordinarily would have done in a situation where you had had more time to plan. For example, a small amount of PPE equipment—a very small percentage—has proven not to be of sufficient quality. Also, in relation to ventilators, because the vital thing was to have enough of them available and ready in time, the type 1 error was not to have sufficient, so, as part of that, we ended up encouraging a number of ventilators to be designed and paying for some of their components, which we then did not need to use. In ordinary, steady times, you would not do that. You would have found that all the ventilators that you paid for ended up being used, but here we were trying to create ventilators under incredible time pressure, in a matter of weeks—normally new designer ventilators take two years or so and we were able to do that in two months. So those are very irregular types of procurement, but successful—

Q363 **Karin Smyth:** They are good examples. We end up with two



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procurements from the same time that possibly had different outcomes. What have you learned from the different ways in which those two procurements were followed?

Alex Chisholm: On the ventilator one—again I have actually got a PAC hearing on that specific issue coming up—probably the most striking things were, first of all, that it is incredible what can be done in a short period of time with the application of will and skill. To have new designs developed in that period of time is a great tribute to industrial engineering prowess and ingenuity—and also, frankly, a patriotic spirit, because a lot of those companies dropped what else they were doing and said, “What can I do to help?” It is a great opportunity to thank and congratulate them on what they were able to achieve. That was impressive.

A second factor is that we found out that some of our work was a little hampered for a period by the sheer numbers of people making offers to us, some of which were not useful.

Karin Smyth: On ventilators.

Alex Chisholm: On ventilators and, indeed, PPE. So we had to develop a triage-type system to be able to quickly identify which were the more useful ones. One of the issues with a generalised request for help is that some people came forward in a good spirit, offering to help, but actually were not well placed to do so. We also had the experience where sometimes the underlying capacity—this was particularly the issue for PPE—was the same plant and you would have dozens, hundreds or even thousands of people offering access to that plant, and the marginal value of another intermediary was somewhere close to zero when we could talk directly to the plant. So we have probably learned a little about having these big, open, public requests for help from the process.

Q364 **Karin Smyth:** Do you think they were done differently? I would agree that the ventilators seemed more successful and less controversial.

Alex Chisholm: I think they have both been successful, because the aim of PPE was to get hold of enough of the right quality to meet the needs of the NHS and adult social care and all other priority uses, and we have been able to do that. I know it got pretty tight at various points. I was looking at the daily figures on stocks in different parts of the country, and it was a complicated issue to be able to make sure that every one of 58,000 distribution points had sufficient stocks in all items of PPE. Logistically, it was one of the hardest things you could imagine doing—comparable to a—

Q365 **Karin Smyth:** It was there, wasn't it? We knew from our previous discussions with the Chancellor of the Duchy of Lancaster about the discussions that had gone on—partly as a result of sickness and so on—about what PPE was needed and whether it was suitable, particularly the gowns, for example. That was all in train in the system, if you like—the system was there to be able to respond. Given that the system was there to be able to respond, why did we end up in such a crisis situation? The ventilators were a new ask.



Alex Chisholm: The demand for PPE far exceeded the expected amounts, and we have ended up procuring tens of billions of pounds—of numbers, of items, of PPE, and at the same time as every other country was trying to do the same. That has required a massive redeployment of industrial resources to be able to produce enough equipment, and new supply lines and new contracts were put in place. That has been successful, which, obviously, we are all benefiting from.

The point that I was just making about the distribution is that in ordinary times, the Department of Health and Social Care procurement system for PPE works through a few hundred different distribution points, but because of the nature of this virus and all the isolation that had to take place, to move that to 58,000 different distribution points was a level of complexity in the actual distribution activity and the quantity of activity that was several orders of magnitude greater. That was, in a way, a mighty achievement. What we have not done as part of that has been to produce breakthrough new designs. Ventilators of the type necessary to help people suffering from coronavirus are very complicated machines. It was an amazing piece of manufacturing prowess to be able to produce new ones in such short order. The other one has really been a triumph of supply chain management.

Q366 **Karin Smyth:** How can the public be assured that the Government adequately managed the conflicts of interests when using emergency procedures for that time?

Alex Chisholm: It is an interesting question. I know that some aspects of the Government's procurement are currently subject to legal challenges from a group called the Good Law Project. We received for the Department of Health notice of litigation in relation to some of the procurement activity relating to PPE, and for my own Department in relation to some communications contracts. Clearly, some of that will be gone into through the courts and I will not over-anticipate that, but certainly, the management of conflicts of interest is something that should be done correctly as part of a procurement process—

Q367 **Karin Smyth:** Okay, so was it done?

Alex Chisholm: And we have been doing some internal audit work to try to find out and verify whether that has actually been the case, with encouraging results so far, but obviously, there is a lot to get through. Again, the volume of procurement activity is many tens of billions of pounds-worth of activity, so we have not, by any stretch, got through all of it. Certainly, as you rightly say, managing public money, managing conflicts of interest and a third to mention, which you have not, would be compliance with procurement law at the time—

Q368 **Karin Smyth:** But you would expect it to be the default, wouldn't you, that experienced procurement leads would abide by the well-established and long-in-place rules of how that is done?

Alex Chisholm: Yes, I would. The only very slight cavil is that because of the scale, you probably had some people procuring who had not done



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before, were not regular procurement officers and had not had the many years of experience that you would normally expect in a more steady situation, but your general point is correct.

Q369 Karin Smyth: Your audit, then—can you tell us a bit more about that and when we might see it?

Alex Chisholm: It is an internal audit, and it is something that we would do, like any other responsible Department, for things that have been particularly challenging or different through the year. We would go and say, “Well, this is what should have been happening. Has it actually been happening?” Certainly, we have started some audit work with the Government internal audit practice to look and see how our procurements, among many other things we have been doing in the Department, have been done.

Q370 Karin Smyth: My question was about how the public can be assured that everything was done, as we would expect, in line with the Nolan principles, the established principles for procurement. When will I be able to look at a website or link to tell me how my taxpayers’ money was spent by the various Departments?

Alex Chisholm: From a transparency perspective, we publish all our procurement activity. That is done on the Government website, and people do pay attention to that; that is what has prompted a number of these legal challenges, where they have gone through and said, “Oh, gosh, I wonder about that one.” That is one form of transparency and accountability.

Q371 Chair: Forgive me for interrupting, but on that note of transparency, might you not publish that internal audit?

Alex Chisholm: We do not as a matter of course publish internal audit reports because they are, as the name suggests, internal audits; but rest assured that the National Audit Office is also doing a great deal of work in this area of procurement, and has a specific study under way. I am sure that will be published and will be subject to a good level of parliamentary scrutiny.

Chair: Sorry to interrupt you, Karin.

Q372 Karin Smyth: No, that was helpful, Chair. The Cabinet Office issued guidance. Do you know of any instances where a Department chose not to follow your guidance?

Alex Chisholm: No, I don’t. I don’t know when people have chosen not to follow my guidance—it is a difficult thing to be 100% confident about. Is this in relation to procurement specifically?

Q373 Karin Smyth: Yes.

Alex Chisholm: If you are looking for a flagrant breaches of procurement or anything like that, no, I am not aware of any. In fact, as part of the Cabinet Office controls, we—Lord Agnew and myself particularly, and a team of people who work with us—get sight of a lot of these procurement-



type activities. What they show is people paying attention to the private procurement regulations and the Cabinet Office guidance, which embodies those. I see a lot of evidence of people painstakingly applying those; I suppose, by definition, I do not see the evidence of people not, but again, that is something that is open to audit, and I know that the Government audit function are doing some work in relation to that.

Also, as you recognise, Departments have their own responsibilities and there are Ministers within those Departments, accounting officers and my counterparts in those Departments making sure that they have followed due practice. The Government Legal Department has a lot of expertise in procurement, and that is a cross-cutting function, which helps to provide a constant level of high-quality legal advice, so there is a lot of consistency.

Q374 Karin Smyth: A lot of internal checks, yes. I appreciate that. If the result of those internal checks is that a Department has not followed what we would call the usual expected standards, what happens, and how will the public know? How will we know?

Alex Chisholm: I think you will know from those mechanisms I have referred to already, particularly the National Audit Office's work and the legal cases, which are focused on correct adherence to procurement rules. Those would be among the earliest ones. There has also been very lively media coverage in this area, which is helping to inform the public. I suppose it is those three mechanisms, plus the fact that, of course, I am sure Parliament will continue to take a very active interest in this area—not just for the Cabinet Office, but for other Departments that have been involved in procurement.

Q375 Karin Smyth: Would you see it as perhaps more helpful to all those people to be more open about the checks that we now need to see? I think we all appreciate the crisis and we appreciate that genuine mistakes are made, and you have said that perhaps some people who were not trained and skilled may have been involved. I think that is also understandable, and those people obviously need to be supported. But in your role, you would need to be assured that the checks were done to ensure that, when urgent procedures were used, for example, that was done properly in a more proactive way. Given the Chair's comments, a more proactive role by the Government to say "This is what happened, this is where millions of pounds of taxpayers' money has gone, this is how it was done" and to be more on the front foot would save the legal challenge and save lots of parliamentary scrutiny committees to drag it out.

Alex Chisholm: I really agree with the sentiment of the question. That is the underlying philosophy behind the so-called Cabinet Office controls as they apply to procurement. You mentioned there that one of the issues is that, in an ordinary situation, you might have a big open competitive tender and give yourself time to go through that whole process. In a circumstance of extreme urgency, it is recognised by the regulations—I think it is regulation 32—that in those situations it may be necessary to move to direct award, because you do not have time to set up the full



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competitive process. That extreme urgent situation was, undoubtedly, encountered in our need to respond very quickly to covid. Many times, Departments needed to invoke that. The way in which they did that would have been subject to the Cabinet Office controls procedure and advice from the cross-cutting commercial function and the Government legal department. There has been a framework for trying to make sure that we have been reasonably consistent in this exceptionally difficult and demanding situation in our approach to procurement. Has it been 100% good? Very unlikely, but there certainly has been a framework for trying to maintain the quality of procurement throughout this time.

Chair: Moving on, in extreme urgency, as you say, some very quick-fire questions now from a combination of Lloyd Russell-Moyle and Jackie Doyle-Price.

Q376 Lloyd Russell-Moyle: Do you get that the current situation of procurement has undermined trust in Government? I am not arguing about the rules being followed, but there is a trust that has been lost by the public out there because of these derogations of the normal procurement rules.

Alex Chisholm: When allegations are made in the media to allege that procurement has been done incompetently or with inappropriate attention, conflicts of interest and so on, that obviously introduces questions into the minds of the public. We hope to be able to answer—

Q377 Lloyd Russell-Moyle: So you are blaming the media rather than taking responsibility yourself.

Alex Chisholm: If I may finish my answer to your question, we would hope and expect that when those processes are complete—the process of examination, the court cases and so on—the vast majority of cases will show that, actually, procurement was done to a high standard with attention to public value for money and other obligations. If that is the case, then hopefully that will restore trust. If it is not, clearly the trust issue will remain.

Q378 Lloyd Russell-Moyle: You are the chief operating officer of the civil service and the Cabinet Secretary is the head of the civil service. What is the division of responsibility between you? Where does the responsibility for the civil service reform lie and how is that different from your predecessors?

Alex Chisholm: There are lots of questions there and it may be, as these are meant to be quick-fire ones, that I will have to give very short answers. I know I am appearing in two weeks' time with the Cabinet Secretary and head of the civil service, so we can probably explore our dual roles on that occasion. Briefly, I lead particularly in relation to functions. I am the permanent secretary for the Cabinet Office. I particularly work on civil service reform issues, whereas the Cabinet Secretary, as the name implies, works in support of delivering the Prime Minister's objectives, particularly in relation to the delivery of the Government's manifesto and policy priorities, working across the system.



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That is, in a nutshell, how we try and work together in unison. As I say, the Committee will have a chance to explore that further in two weeks' time.

I would not read too much into the change in job description between myself and my predecessor, John Manzoni. He was called chief executive officer and I am called chief operating officer. The slight change was probably to recognise that all Departments have a Secretary of State and a permanent secretary in charge of them, so the idea that there was a chief executive above that perhaps does not make full sense, and also to recognise that the head of the Government is the head of the civil service and the Prime Minister, and so to have chief executive as a title perhaps caused a bit of confusion. "Chief operating officer" is a more accurate description of the role that John Manzoni actually performed and I do, which is very much focused on the way in which the operating resources of the civil service are used to deliver the Government's agenda.

Lloyd Russell-Moyle: It sounds very reasonable.

Q379 **Jackie Doyle-Price:** You have anticipated my question beautifully. Could you briefly tell us what your priorities are for civil service reform?

Alex Chisholm: It will have to be brief at this stage. It was implied in our previous exchange, when I was talking about a further professionalisation of the civil service. It is also about our skill levels, our access to data and our use of technology. There will be a further enrichment in the diversity and talent pools that we are able to access right across the country, from lots of different professions, casts of mind, educational backgrounds, and so on. We want a civil service that is genuinely operating across the whole of the UK to reduce the Whitehall or London-centricity. Those would be some of the biggest changes.

More than anything, it is very much focused on the outcomes that we can achieve for our fellow citizens. It is very much driven by that. That is very motivating, and it certainly is what gets me out of bed every morning. I think that is true for most, if not all, of my fellow civil servants. I want us to be very focused on what we can do to serve the public in very concrete and important ways at this time of great need.

Chair: With that answer, it is appropriate to draw matters to a close. I wonder whether you would undertake to provide the Committee with an organisation chart listing responsibilities at director general and director level? As you acknowledged, the Cabinet Office is large and complex, and it would help this Committee to understand that structure properly.

Thank you, Mr Hornby and Mr Chisholm, for attending the Committee this morning. I look forward to seeing you again in a couple of weeks, Mr Chisholm. For the moment, thank you very much.