House of Commons

Public Administration and Constitutional Affairs Committee

Where Civil Servants Work: Planning for the Future of the Government's Estates: Government and Office for National Statistics response to the Committee's Eighth Report

Eighth Special Report of Session 2022–23

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Public Administration and Constitutional Affairs Committee

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Eighth Special Report

The Public Administration and Constitutional Affairs Committee published its Eighth Report of Session 2022–23, Where Civil Servants Work: Planning for the future of the Government's estates (HC 793) on 18th July 2023. The Government's response was received on 20th September 2023 and is appended below along with correspondence from the Office of National Statistics, received on 18th September 2023.

Appendix 1: Government Response

1. The Government is grateful to the Public Administration and Constitutional Affairs Committee for their inquiry into 'Where Civil Servants work: Planning for the Future of the Government's Estates', specifically the Places for Growth Programme and the Government Property Agency.

2. The report highlights the progress made to date through the Places for Growth and Government Hubs programmes. At the time of publishing, significant milestones have been achieved including:

- more than 14,000 roles have been relocated against a commitment of 22,000 by 2030
- 30% of Senior civil servants are based outside London against the commitment for 50% outside London by 2030
- delivering 96% of the 2025 ambition to relocate at least 15,000 roles by 2025 and 65% of the overall ambition of 22,000 by 2030
- the establishment of multiple departmental second headquarters including Cabinet Office in Glasgow, DLUHC in Wolverhampton and FCDO in East Kilbride
- the launch of Civil Service thematic campuses e.g. Darlington Economic Campus and Sheffield Policy Campus
- the delivery of 5 hubs within phase 2 of the hubs programme, bringing total number of hubs to 19
- the closure of 43 offices in Central London since April 2017, significantly reducing operating costs by £220m

3. Places for Growth's approach to role relocations is established on a strong evidence base, which informed implementation. The programme has a robust monitoring mechanism for quarterly reporting as well as comprehensive governance structures overseeing policy development and departmental role relocations at an official and ministerial level.

4. The Committee made a number of recommendations for consideration where Cabinet Office could increase transparency and evaluation of the programmes' delivery impacts.

The Government supports enhanced transparency so has accepted recommendations where appropriate and signposted where committee feedback has already been addressed through other mechanisms.

5. The response to the Committee's recommendations are below:

6. **The Government appears to be making progress towards its target of relocating 22,000 posts by 2030, and steady progress towards a target of reducing the proportion of Senior Civil Service posts based in London to 50% of the total. However, a number of issues with the framing and reporting of these targets makes it difficult to judge how substantial the Government's achievements are. It is striking that the Cabinet Office has published so little information on the rationale and design of its Places for Growth programme, and also its new Plan for London. In particular, the Cabinet Office has not published a clear and definitive statement on the exact region from which it is seeking to relocate posts, nor of exactly what its target for senior officials is. In some of its communications it is also adopting a boosterish approach to reporting progress, which is likely to give an exaggerated picture of its achievements. Overall, the Cabinet Office has not done the basics of launching a programme well, notably failing to be clear and consistent in framing the rationale underlying the programme and the targets it is aiming to achieve.** (Paragraph 26)

7. **Publishing details of the rationale and success criteria for a major programme is essential for public transparency and assisting parliamentary scrutiny. This is not only a democratic good in itself; by exposing the justifications for their interventions to scrutiny, departments can hope to strengthen the design of their policies and gain greater public confidence in their decisions.** (Paragraph 27)

8. ***In future, whenever the Cabinet Office launches a named programme, it should publish a prospectus document in advance of its operation, setting out details including the programme's rationale, key objectives, and evaluation plan. It should additionally maintain a dedicated webpage on GOV. UK, on which it periodically publishes updated metrics of progress, as well as other corporate announcements related to the programme. Retrospectively, the Cabinet Office should, alongside the response to this report, publish this information, both for Places for Growth and for its Plan for London, on a dedicated GOV.UK webpage, and commit to updating it with metrics of progress at regular intervals, at least annually. In publishing this information, the Cabinet Office should clearly show how Places for Growth and the Plan for London fit together.*** (Paragraph 27)

9. The Government will publish relevant programme documentation for Places for Growth and the Plan for London.

10. The Government recognises the value of capturing the purpose, objectives and critical success factors at the outset of major programmes and Places for Growth welcomes the recommendation to make programme documentation publicly available to enable better scrutiny. The Cabinet Office is keen to ensure transparency and Minister Barclay and Minister Rees-Mogg both previously wrote to the Committee in order to provide details about Places for Growth ambition and targets.

11. The Places for Growth Programme is a pillar of the Modernisation and Reform (M&R) agenda and as such is represented by the M&R page on Gov.uk. Details of the

Programme's rationale and objectives are set out in the Declaration on Government Reform, which is hosted on the related Gov.uk page. The Programme is also referred to in the Government Property Strategy, also published on Gov.uk.

12. The Government will refresh the appropriate pages to ensure that purpose, objectives, critical success factors and performance against these for the Places for Growth Programme and the related Plan for London are included.

13. **The Government has made high-profile commitments that Ministers would spend significant working time in regional offices—though without clearly explaining what value this was meant to deliver. To date, Ministers have not been able to meet this commitment, making flying visits rather than basing themselves outside London for significant amounts of time to conduct substantive work. The responsible Minister himself suggested a good reason for this: ministerial work is closely linked to Parliament and the Cabinet, and long travel times make it impractical for Ministers to spend very significant working time away from Westminster.** (Paragraph 33)

14. ***The Government should either live up to its public commitment for Ministers to spend more time working outside the capital, or issue a revised ambition with an accurate statement of what Ministers can actually commit to. This should extend to the Government's purpose in building Cabinet meeting rooms in two of its new Hubs, and the Cabinet Office should include in its response to this report details of when the Cabinet plans to meet in Edinburgh and Cardiff.*** (Paragraph 33)

15. This is a difficult area as the Minister for the Cabinet Office made clear in his evidence session.

16. Ministers - and indeed permanent secretaries - recognise their role as powerful champions and ambassadors for all Civil Service locations and that attendance in offices outside London is important to creating a vibrant and consistent Civil Service culture across the UK. Cabinet Office Ministers have embraced this opportunity with all Ministers visiting their staff in central Government hubs over the last year. Ministers have conducted official business in Darlington (the Economic campus), Glasgow (Cabinet Office second headquarters), Belfast, Manchester, Sheffield (Government Policy Campus), Cardiff, York and Birmingham Ministers also have a duty to be available to Parliament in order to respond adequately to matters relating to departmental business. Ministers continue to seek a balance between these important but sometimes conflicting requirements.

17. Facilities for Ministers to use are now available in key locations across the United Kingdom, with meeting rooms suitable for a number of purposes, including Cabinet meetings if required. For example, Cabinet met in Stoke-on-Trent in May 2022. However, the planning of Cabinet meetings outside of London must balance the benefits of regional Cabinets with Ministerial parliamentary availability and the use of taxpayers money. For security reasons, the Government does not announce when and where these meetings will take place.

18. **The Cabinet Office has made high-profile statements about the economic benefits to be delivered by Places for Growth, referring to research which supports its estimates. However, it has only just published information about this research, and this information was not written for easy digestion by the general public. This**

is a clear example of bad practice, as it prevents Parliament and the wider public from comprehensively reviewing the arguments and evidence underlying the alleged benefits of the programme. (Paragraph 42)

19. ***The Cabinet Office should, alongside its response to this report, publish details of the research underpinning its claims of economic benefits in a form which clearly explains how the claims made in previous Places to Growth press releases have been calculated. Moreover, the Government Analysis Function should, within six months, publish a statement on its website and write to heads of the analysis function within all government departments urging them to bring the transparency requirements of all government analysts into line with the best practice guidelines set by the Office for Statistics Regulation. This should make clear that, whenever economic research is referred to in press notices and ministerial statements, departments should present links to a published form of this research.*** (Paragraph 42)

20. Research underpinning the economic benefits of the Places for Growth programme has already been published.

21. Places for Growth shared details of the forecast economic benefits used to support the initiation of the Programme with the Committee on 17 May 2023. Places for Growth is three years into a ten year programme and further early-stage analysis of the benefits delivered by the programme is scheduled for this financial year. This work will contribute to the evidence base and help to inform the future trajectory of the programme.

22. Benefits evaluation will include the positive impact of role relocation to HM Government offices and how they are attracting business investment to locations with significant growth like in Darlington.

23. The National Statistician will respond directly to the Committee on the part of the recommendation relating to the Government Analysis Function.

24. **The Government is not only relocating posts from London to the regions and nations, but also relocating posts from local offices (often in economically deprived towns) to large regional Hubs (mostly in big cities). We are concerned that the Cabinet Office is not seeking to estimate the net economic impacts of its different relocation policies, once these local office closures are taken into account.** (Paragraph 49)

25. ***The Cabinet Office should publish within six months analyses of economic losses in towns where government offices have been or are going to be shut down under the Government Hubs programme, as well as the expected benefits in areas where Hubs are opening.*** (Paragraph 49)

26. The Government Hubs Programme enables both the relocation of Civil Service roles from London to the nations and regions of the United Kingdom to support the Places for Growth Programme, and also the rationalisation of the government's office portfolio in places. This approach releases costly London property, reduces the space required to meet the Civil Service workforce need, creates jobs in the regions, and brings staff from several departments together in a smaller number of high-quality, digitally connected buildings supporting collaboration and productivity. Hubs add value to the local economy and are active contributors to local communities.

27. Typically, estate rationalisation into Hubs takes place within a city region and travel to work area with limited economic impact where local offices are closed. In Phase 1 Government Hubs, delivered by HMRC, a wider view of the travel to work area was taken leading to office closures in some smaller towns and cities. Whilst these closures will have some economic impact on those locations, HMRC's expectation is that those taking up posts in, and travelling to, a Hub will continue their normal activities where they live.

28. The socio-economic impact of the Hubs Programme is considered for all recent and proposed regional Hubs, and the economic impact on regions as jobs are moved between them or new jobs created is analysed.

29. **The rationale for the creation of the Government Property Agency was that by taking over the management of all government office buildings it would lead to coordinated decision-making and efficiency savings. But with the departments with the biggest office estates remaining outside the GPA's control, the Government is potentially missing out on opportunities to bring together different public bodies and optimise the location of its office estate.** (Paragraph 54)

30. ***To help ensure joined up decision making across government, it should be a requirement for every accounting officer, before approving any major property consolidation or relocation proposal, to obtain assurance that their officials have explored opportunities to co-ordinate location and design decisions with the Government Property Agency, in its management of the office portfolio. The Cabinet Office should work with HM Treasury to develop this guidance for accounting officers, and write to us within six months to confirm the results.*** (Paragraph 54)

31. The Government recognises the need for joined-up, long-term portfolio planning across the Government Office Portfolio to optimise the estate and to deliver efficiency savings. The Cabinet Office has delegated this task to the Government Property Agency, which takes into account all government office properties, whether managed by itself or others, when developing portfolio plans for cities and major towns. These portfolio plans have been developed since the Agency's formation and will help avoid opportunities being missed.

32. As well as planning for the whole office portfolio, the Government Property Agency directly controls close to half of the portfolio. Where portfolio plans require the release or sharing of properties controlled by others, the Agency consults with those departments on the proposed actions and the benefits for wider government. In the majority of circumstances, agreement is reached to enact the Agency's portfolio plans. When agreement is not possible, the Cabinet Office's National Property Controls can be used to block alternative department plans.

33. The Cabinet Office has recently updated its National Property Controls policy to provide increased upstream visibility of property transactions by requiring departments to prepare and share pipelines of planned property events. To assist in planning for the government office and logistics portfolios, pipelines that include these asset types are shared by the Cabinet Office with the Government Property Agency to ensure that all opportunities are considered. For individual transactions, departments are required to demonstrate that they have tested a range of options, including engaging with the Agency to test for vacant accommodation and central government colocation opportunities. If

this has not taken place, the control can be used to block the proposed transaction. The Cabinet Office will explore, with HM Treasury and the Agency, the need for further guidance to ensure that the estate is used effectively and efficiently.

34. **In order to do its job effectively, the Government Property Agency needs good quality workforce plans from departments, enabling it to plan for the right size and location of government offices. This has been made more difficult by uncertainties resulting from government policy and communications. On the amount of time civil servants should work in the office (which thus affects the demand for office space), high-profile statements from Ministers have been at odds with key policy programmes. Meanwhile, the Government has made sudden and unclear statements about the size of the Civil Service, most recently stating both that it had scrapped targets for headcount reductions and that it was still committed to achieving the same scale of cuts but clarifying neither how this was to be achieved nor over what timescale.** (Paragraph 62)

35. ***In its response to this report the Cabinet Office should write to us with a definitive statement of government policy on the flexibility civil servants should have on how often they work in the office. Within the same period, the Cabinet Office should write to us with a clear statement on what size of headcount reductions the Government is modelling, in what timescale this is intended to be achieved, and what impact this will have on departments' requirement for office space. Until the GPA has greater certainty over departments' workforce plans and demand for office space, it should review whether to proceed now with those Hubs currently in the planning stage, and not actively plan for any additional Hubs.*** (Paragraph 63)

36. The Government has been consistent that civil servants should be in the office where needed to drive delivery and to meet their contractual obligations. Within that context, specific decisions on where and when employees work are made locally by departments, based on their business needs, delivery requirements and the nature of specific roles. As departments are individual employers, they set out their employees' terms and conditions, including flexible working policies. This position has been communicated regularly through public statements, correspondence, and Parliamentary questions.

37. The Government made a clear statement in November 2022 that the policy of reducing the Civil Service headcount by 91,000 full time equivalent (FTE) would not be pursued. Instead, the Prime Minister requested that every government department should look for the most effective ways to secure value and maximise efficiency within their budgets. As part of this, any reductions in civil servant numbers is for individual departments to determine based on business need and delivery priorities.

38. Before taking the decision to invest in a new Hub, the Government Property Agency consults extensively with all the departments potentially involved to understand their workforce needs and their anticipated attendance rates based on their flexible working policies. Projects to deliver new Hubs are not undertaken unless it can be demonstrated that there is a firm workforce need, the existing estate cannot be used, and the Hub will deliver good value for money.

39. **The Cabinet Office has provided a plausible explanation for the GPA's practice of charging departments rent on offices which the Government owns and has no intention of selling. This answer emphasises the value for money which the GPA is able to secure**

by acting as office property manager for multiple departments. As this value depends on scale, it is important that individual departments stay within these arrangements, rather than trying to find better deals from commercial landlords on a local basis. Nevertheless, to tie departments into these arrangements successfully, the GPA needs to be able to demonstrate that it is providing value for money. (Paragraph 68)

40. ***The Government Property Agency should commission an external review, to publish within twelve months, of the value for money of the service which it is providing to departments in return for its rental charges.*** (Paragraph 68)

41. Through planning for the whole Government Office Portfolio and economies of scale, the Government Property Agency is able to deliver excellent value for money to government departments.

42. The costs of occupying property is typically driven by location, quality, the size of space and the length of term. By portfolio planning for the whole Civil Service, the Government Property Agency is able to hold large spaces for long terms, and to sub-let to departments for shorter, more flexible periods, in locations and quality that they would not be able to secure by acting alone.

43. The Government Property Agency's scale and commercial acumen is also able to provide services to departments that are better value than they could achieve acting independently. The Agency will continue to work with departments on the value for money delivered through its services and the charges for these services.

44. The Government Property Agency is undertaking a benefits review to assess its performance against the original business case for the New Property Model (NPM). External advice has been obtained in the development of the benefits methodology and internal assurances will be sought before the scale of benefits are shared with the Committee.

45. **Previous governments which implemented similar programmes of Civil Service relocation acknowledged the risks and potential disadvantages–for example, significant upfront costs of relocation and redundancy packages, plus a loss of efficiency and coherence from moving policy roles far away from Whitehall. The Government is doing things differently this time–for example, generally recruiting new starters to regional offices to fill vacancies when they arise rather than relocating existing staff relying on videoconferencing, and seeking to relocate more SCS posts in order to create more senior career pathways outside London. This approach does, however, present novel risks, such as the potential development of a two-tier departmental culture, if regional offices mainly comprise new starters who have never worked in Whitehall. A further risk is that departments may be exclusively filling vacancies to locations outside London, even where such posts require significant presence in London, in order to meet Places for Growth targets.** (Paragraph 74)

46. ***The Cabinet Office should issue guidance to departments that London should not be ruled out as location for new recruitment, where it is more appropriate for certain posts to be based in the capital. It should also use the Civil Service People Survey to monitor and address evidence of a perception among regionally-based staff that they have lower engagement scores or views on career prospects. Equally, should the Civil***

Service People Survey reveal engagement to be higher in regional offices, the Cabinet Office should conduct research into what departments running Whitehall offices may be able to learn from them. (Paragraph 75)

47. Within the context of Places for Growth targets to relocate roles from London, it is for departments to determine which roles should be recruited in London to support a vibrant talent pool in London for the effective delivery of government priorities, support to Ministers and parliament. Departments review carefully the roles that can be relocated to UK Government offices across the UK at all grades with strong bias towards moving more senior roles out.

48. It is a matter for individual departments to establish their workforce requirements for London taking into account any workforce efficiencies and Places for Growth relocations agreed in their SR21 settlement. Departmental workforce planning ensures that the right roles are being recruited for in the right locations, reflecting both business need and local labour markets.

49. Departments are expected to maximise opportunities to relocate roles to locations across the United Kingdom, but will also recruit into roles in London where there is a strong basis to do so.

50. The Civil Service tracks People Survey results closely and data is publicly accessible through Gov.uk. It is important to the Civil Service that all staff, regardless of location, feel they have strong career prospects. Equally, we strive to ensure our People Survey engagement scores are as high as possible and are keen to learn lessons from all areas of the business to ensure this remains the case. The People Survey asks respondents to select a region as part of their response. All aspects of the survey, including engagement scores, can therefore be analysed by region to identify whether there are statistically relevant differences between London and the regions. We will continue to monitor this data as more roles are relocated to ensure the appropriate lessons are being shared between regions where necessary.

51. **Co-locating officials from different departments within the same regional Hubs potentially offers the opportunity to create collaborative teams, generating new insights and leading to more joined up policy-making. At the same time, past experience suggests that problems may arise from the fact that different departments are individual employers, with their own pay scales for officials below the Senior Civil Service grades. We disagree with the Minister's assessment that there are no risks to consider here. Instead, we believe this has the potential to both lead to tensions where staff from different departments are co-located, and cause practical issues where staff seek to move between departments within Hubs in pursuit of improved pay and conditions.** (Paragraph 79)

52. ***To help realise the wider potential of the Government Hubs programme, the Cabinet Office and GPA should promote case studies which demonstrate the practical benefits of staff from different departments working together within regional offices. The GPA should report on such case studies, highlighting the practical impacts on policy-making, in its annual reports. The Cabinet Office should also monitor the extent to which staff within regional Hubs transfer between departments, investigating both the reasons for it and the level of disruption this causes to departmental business.*** (Paragraph 79)

53. Places for Growth regularly promotes positive case studies demonstrating the benefits of role relocations, including the benefits of cross-departmental working. This will continue to be championed through the 'Place' pillar of the Modernisation and Reform (M&R) agenda.

54. Government Hubs are the practical manifestation of bringing departments together in a place to enable collaboration and joint policy development. The Government Property Agency already advocates examples of best practice. In Birmingham, 8 buildings were closed and 1,700 FTE from 20 departments now share a single building with workplace design that supports modern working practices and consistent property technology to enable collaboration.

55. Places for Growth is relocating roles at all grades to ensure that career pathways to the Senior Civil Service exist for civil servants in locations across the UK. Porosity between government departments in a location is encouraged as it highlights the ability for civil servants to develop careers in a place, and to gain a range of experience across multiple departments.

56. The potential tensions resulting from differing department pay arrangements highlighted by the Committee already exist within Whitehall and elsewhere, and continue to be successfully managed by departments.

57. **The stagnation of Civil Service pay poses challenges for retention, recruitment, and morale—and may in some cases lead to real hardship. Moving posts out of the capital, where costs of living are lower and where the Government does not pay a London premium on Civil Service salaries, has the potential to offer financial benefits to both the Government and its officials. Nevertheless, a large contingent of staff—especially senior posts—are always going to be required to work in London, and the Places for Growth programme will on its own do nothing for the individuals holding such roles. Civil service relocation has a role to play within the overall policy relating to Civil Service pay, but it should not be seen by the Cabinet Office as a replacement for addressing underlying issues.** (Paragraph 83)

58. **Recruiting staff to regional offices has the potential to open up the Civil Service as a career to a wider number of people. This can have benefits both for civil servants (enabling them to pursue a career in government without necessarily having to move to London) and for government policy (if it leads to greater understanding within departments about the differing needs of local communities). The Government's thinking about how to achieve these benefits appears unclear, however. In particular, there is a risk that in viewing certain communities outside London as being more representative of the country as a whole, the Government is stereotyping communities outside the capital as all being essentially the same and all being radically different to the varied communities in London, overriding local differences in needs and interests. It remains to be seen how HM Treasury's Darlington Economic Campus will improve policy-making for the remainder of the country.** (Paragraph 93)

59. **The previous system of Government Offices for the English Regions received some criticism at the time for not sufficiently doing bottom-up policy-making for the regions they were based in. However, there was at least a comprehensive structure in place, in which the same government departments were represented in each region, as a scaled**

down version of Whitehall for local areas. The Government's current approach to the Places for Growth and Government Hubs programmes is much more haphazard. Without a clearer rationale for why a particular function has been relocated to a particular regional Hub, the Government increases the risk both that its programmes will fail substantially to influence policy-making and that a future government may reorganise or reverse what it has done. (Paragraph 94)

60. ***To increase the impact and rationale of each regional Hub, the Cabinet Office should co-ordinate the local outreach work undertaken by each department's regional offices (liaising with local authorities, businesses, and third sector stakeholders). The objective should be to systematically improve central government's understanding of local needs, and the local impacts of government policy, in each region and nation of the UK.*** (Paragraph 95)

61. Places for Growth is relocating roles to join the already thriving Civil Service communities across the United Kingdom. It's essential that local stakeholder engagement is prioritised in order to achieve the benefits of being an organisation with a truly national footprint.

62. The Cabinet Office is already driving a joined-up approach to local outreach, which is overseen by Director-level Heads of Place. Each region and nation has a Head of Place who oversees the development of Civil Service communities in their area and promotes opportunities for departments to work collaboratively to achieve more than the sum of their parts. As part of this work, regular cross-departmental outreach activities take place in order to understand local communities better, foster deep working relationships with local stakeholders, and promote Civil Service careers locally. For example, within the first six months of launching the new Cabinet Office second headquarters in Glasgow, a joined up nation-wide programme of outreach, engagement and recruitment was initiated across Scotland. Staff volunteered over 100 hours to participate in careers fairs, guest lectures and discussion panels in order to showcase to students and graduates how they can launch a fulfilling and rewarding career in the Civil Service in Scotland.

63. Strong local relationships and coordinated outreach helps the Civil Service to be a positive presence in the local area as well as facilitating more effective engagement on the development and impact of policy.

64. **The Government's claims for Places for Growth imply that it expects there to be an appreciable difference in mindset between policy officials employed in London and those in regional offices, and a corresponding change to policy. However, the responsible Minister was not able to pinpoint how policy advice drafted in a regional office would be different from that drafted in Whitehall. Even where some staff in regional offices may be more likely to have different educational and professional backgrounds, the majority of policy officials are likely to be university graduates wherever they are based given current recruitment criteria, with a certain broad shared framework of intellectual values and approaches this tends to imply. It remains unclear, both as to what changes Ministers want to see in the policy advice they receive from officials, and how the fact of basing more officials in regional Hubs will achieve these changes.** (Paragraph 96)

65. ***The Cabinet Office should publish details of its understanding of how the location of officials influences the advice they provide, setting out how exactly it expects recruiting staff to regional offices will lead to tangible differences in policy development and improvements to the welfare of citizens and communities.*** (Paragraph 96)

66. The Civil Service will always need to maintain a significant base in Whitehall close to Parliament, but currently has a disproportionate number of senior and policy making roles based in a single location. Through role relocations, Places for Growth is giving people from a wider range of backgrounds the opportunity to work in the Civil Service. By recruiting people in different locations, from a range of backgrounds and with a variety of different experiences, the Civil Service will gain a wider spectrum of perspectives and better diversity of thought in its policy and decision making.

67. The composition of the Civil Service should be as representative of the people it serves as possible. To support Places for Growth relocations, departments are actively engaging with audiences such as school leavers and veterans, as well as promoting apprenticeship opportunities in order to widen the pool of talent available to the Civil Service. Progress has been made already with the Darlington Economic Campus recruiting four fifths of its staff from the region and Home Office's apprentice-first approach in Stoke-on-Trent to access individuals from all backgrounds and develop the skills and careers of those who join the department.

68. Places for Growth is three years into delivering a ten-year programme and a wider analysis of its impact on policy making will be carried out when the Programme is more mature. However, early indications from locations such as the Darlington Economic Campus and the Sheffield Policy Campus have highlighted the effectiveness of departments in a single location breaking down silos to work on shared policy areas and to engage more effectively with local stakeholders. These locations have also demonstrated their ability to collaborate on policy making with external stakeholders, for example, Sheffield Policy Campus' involvement with academics through the Yorkshire Policy Engagement and Research Network which connects academic research with local needs to identify solutions to some of the major opportunities and challenges facing the region. Further analysis of the impact of Places for Growth on policy making will be carried out in the next Spending Review period.

69. **Overall, the Cabinet Office has a number of successes to point to regarding the Places for Growth and Government Hubs programmes. The number of posts allocated to regional offices under Places for Growth is growing rapidly, and HMRC and the GPA have made significant progress in meeting their objectives of consolidating the office portfolio into a smaller number of larger, more modern buildings. However, these promising signs are undermined to an extent by weaknesses in the framing, reporting, and rationale for these programmes. Notably the reported economic and cultural benefits of Civil Service relocation have not been clearly demonstrated.** (Paragraph 98)

70. **Beyond the specific design and impacts of these programmes, we were struck by what they revealed about the Cabinet Office's approach to policy-making. The fact that Civil Service relocation has been pursued by several previous governments provides an historical comparison against which this Government's approach stands out for its lack of published research, its failure to seriously engage with the trade-offs to be managed, and its exaggerated approach to progress and benefits. The Cabinet Office's**

approach to presentation is particularly disappointing, given it is the responsible department for the Government Analysis Function, Government Communications Service, and Evaluation Task Force—all of which provide guidance to departments on the robustness of policy development or communications. This lack of rigour manifests itself as a vagueness at the heart of this policy, with the Cabinet Office not providing a clear account of why certain functions are being located in particular places, what difference this will make to government policy, or how exactly this will impact on regional communities and their citizens. (Paragraph 99)

71. The Government welcomes the Committee's recognition of the successes to date of the Places for Growth Programme and the Government Hubs Programme. The programme has relocated over 14,000 roles and is currently 96% of the way to committed 2025 milestones and 65% of the way to its 2030 target. Departments have established multiple second headquarters including Cabinet Office in Glasgow, DLUHC in Wolverhampton and FCDO in East Kilbride and launched Civil Service thematic campuses in Darlington and Sheffield.

72. Through the successes of this activity the Civil Service is being rebalanced sustainably across the United Kingdom in support of the Modernisation and Reform agenda. This will lead to an organisation that is more representative of the people it serves and able to develop policy more effectively working across departments.

73. In parallel, the Government Property Agency is rationalising the government's office portfolio, reducing costs and creating modern, digitally-connected offices to support Civil Service productivity with 5 hubs having been delivered within phase 2 of the hubs programme, bringing total number of hubs to 19 and 43 offices in Central London having been closed since April 2017, significantly reducing Government operating costs by £220m As these programmes progress, the Government will share case studies of their impact, and evidence their cultural and economic impact. As this complex change progresses over the next few years, the Government will also carry out research and analysis of the impact on the Civil Service and policy making.

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Appendix 2: Letter from the Office of National Statistics

Dear Mr Wragg,

As Head of the Analysis Function, I write in response to the Committee's report, *'Where Civil Servants work: Planning for the future of the Government's estates'*[1], *particularly the recommendation that:*

Moreover, the Government Analysis Function should, within six months, publish a statement on its website and write to heads of the analysis function within all government departments urging them to bring the transparency requirements of all government analysts into line with the best practice guidelines set by the Office for Statistics Regulation. This should make clear that, whenever economic research is referred to in press notices and ministerial statements, departments should present links to a published form of this research. (Paragraph 42)

Over the last year I have undertaken significant efforts to engage analytical leaders in the Civil Service on the importance of transparency and working together to champion transparency in Government analysis.

This year we updated the Analysis Function Standard[2] which sets expectations for the planning and undertaking of analysis to support well-informed decision making. The Standard clearly lays out expectations for the importance of transparency in the commissioning, producing, and publishing of Government analysis. Departmental Directors of Analysis (DDANs) completed their first self-assessment against the standard earlier this year in which they are asked to score themselves against the framework to identify areas for improvement. We are actively working with them on areas they need to improve.

There are many other ways I have championed the importance of transparency.

In 2022, Go Science published guidance to implement the Concordat to support research integrity within Government[3]. I wrote a joint letter with the Government Chief Scientific Officer to all Permanent Secretaries in response to endorse compliance with the Concordat, saying: "Government research transparency is fundamental to supporting robust debate and wider scientific inquiry. Recently there have been problems experienced by some departments with getting research reports published. This has meant that on occasions we fell short of our publicly-stated commitments to transparency of evidence. I would like to ask you for your help in ensuring that these issues are addressed promptly." I also engaged with the DDANs following this.

I discuss transparency in Government analysis regularly with the Heads of Professions and DDANs. Earlier this year, Go Science presented again to DDANs to remind them

1 https://committees.parliament.uk/publications/41051/documents/199888/default/
2 https://www.gov.uk/government/publications/government-analysis-functional-standard--2
3 https://www.gov.uk/government/publications/implementing-the-concordat-to-support-research-integrity-within-government/guidance-to-implement-the-concordat-to-support-research-integrity-within-government

of the Concordat and what is expected of them. Many departments have successfully published their first report and Go Science continue to work with others to achieve this. This includes the statement published by the ONS in July this year[4].

There are also multiple other sources of guidance and advice for analysts across professions on the importance of transparency including:

- The Code of Practice
- Government Social Research: Publication protocol
- OSR Refreshed Intelligent Transparency Guidance
- Data Ethics Framework
- National Statistician's guidance: management information and official statistics
- Aqua, Green and Magenta books

I will continue to promote the importance of transparency across the Analysis Function and seek opportunities to address where the Analysis Function falls short.

The Standards and other guidance noted are available on the Analysis Function Website which I will continue to review to ensure they are clear and have the intended impact.

I will also discuss this further at the next Analysis Function Board and DDAN governance meetings in October.

Please let me know if the Committee has any further questions.

Yours sincerely,

Professor Sir Ian Diamond

National Statistician

4 https://www.ons.gov.uk/aboutus/whatwedo/innovativeresearchandcollaborations/onsannualresearchintegritystatement2022to2023