

**After the dust has settled – delivering on the Spending Review
A seminar with John Manzoni**

Event Summary

We were delighted to host a seminar with John Manzoni, Chief Executive of the Civil Service on 17th February to discuss where his priorities lie for meeting the objectives of the Spending Review over this parliament, and how ALBs can contribute to the reform agenda. The challenges for departments and ALBs are ever increasing. By 2020 central government will be 20% smaller, which requires changing the way in which we work across the civil service, consolidating the number of offices, ensuring a strong level of leadership to implement changes, improving commercial and digital capabilities to drive reform and innovation as well as exploring new business models working in partnership across sectors.

John began the discussion by encouraging ALBs to engage with the reform agenda in four key areas:

1. **Ensuring ALBs are fit for purpose, delivering pace and materiality and working in partnership with their departments.** John encouraged ALBs to engage with cross-departmental work. The cross-departmental functional review of regulators is a good opportunity for CEOs to take the lead in delivering efficiencies but pace and materiality are essential in order to expand this review approach to other groups of bodies with similar functions, such as complaints handling.
2. **Improving expert functional capabilities,** including procurement, major projects, property rationalisation, using analytics to accelerate recovery from fraud error and debt, shared services and improving digital and commercial capabilities. John emphasised the importance of building skills at the point of delivery and learning from successful examples such as GDS' digital market place, the DVLA's digital transformation programme and the Crown Commercial Service's accelerator programme. John encouraged members to contact the Public Bodies Reform Team who are keen to work with ALBs on these areas, as well as engaging with the Government Property Unit for property rationalisation.
3. **Attracting, motivating and retaining in the right staff.** John Manzoni was pleased that ALBs are interested in talent interchange and encouraged bodies to learn from successful examples such as the Department of Health. Members were very pleased to hear that Rupert McNeil, Chief People Officer at the Civil Service has been set a target to achieve 50 senior interchanges by 2018, while there are plans to further increase the involvement of departmental non-executive directors and improve the sponsorship model with ALBs and departments.
4. **Ensuring that ALBs engage with their Single Departmental Plans (SDPs).** John was very positive in the ability of the SDPs to act as clear, accountable objectives across government and ALBs for this parliament.

Main Themes from Floor Discussion

- Consolidation and rationalisation of ALBs are welcome reform agendas, however members felt the ability to deliver pace and materiality can at times be hindered by a disconnect

between product development and the deliverability of the policies in practice, especially if the new policies demand long and time-consuming bureaucratic processes. Members would like to see a performance culture built within policy teams that is increasingly more in-touch with user experience and aware of any potential legislative barriers in order to build strategic process plans from conception to implementation.

- Grading structures across ALBs and departments are variable which makes retaining and attracting staff in ALBs more difficult. John Manzoni agreed that permeability of skills across policy and delivery is really important.
- The move to bring in expert functional skills must be facilitated with more flexibility around pay and career structures in the Civil Service. Competency-based assessment often favours candidates from a public sector background, which has at times hindered the opportunity to bring in expert functional skills. Both members and John Manzoni agreed on the importance of ensuring generalists are not hired to carry out specific functional skills.
- Members were pleased to hear that the Civil Service is working to improve functional capability by releasing and hiring new people at the same time, creating 30,000 new apprenticeships, accelerating the building of houses by releasing public land and introducing different remuneration structures for commercial staff, with a view to extending this to technical staff too.
- Members agreed that building commercial skills should be a priority, but numeracy skills should not be undervalued in this process.
- The audience welcomed John Manzoni's encouragement of a more equal relationship with the centre, for example by adopting risk-based controls and placing greater reliance on judgement rather than process driven paperwork.

The seminar was a very constructive conversation between John Manzoni and ACE members. The discussion highlighted the many areas of mutual interest and opportunities for both CEOs of ALBs and the civil service. Notably the drive to build the rights skills and processes across policy, delivery, departments and sectors in order to engage with transformation agenda over this parliament.