

Cabinet Secretary Annual Lecture
Wednesday 25th January 2023, Bristol University

Good evening. And truly – thank you very much for having me here for my second annual lecture as Cabinet Secretary. It means a lot to be doing this here in Bristol.

I certainly never envisaged being here, doing this, when I was at school a few hundred yards away. So I'm enormously grateful for the invitation to come and speak to you all.

And - to those who are back here this evening, having spent some of the day with me - quite a lot of what I'm going to say will be very familiar to you from the conversations we had earlier.

It was amazing, arriving here in this remarkable building a few hours ago. It struck a very particular memory. It's 1993 and I'm standing in an enormous crowd outside with my dad hoping to catch a glimpse of Mikhail Gorbachov, as he left having received an honorary doctorate from the university.

And we've still got a copy of his biography, I'm not sure if we've read it but it's signed.

It's been over 25 years since I was here on a daily basis and the changes are striking. From the Harbourside to the area around Temple Meads where I was earlier today. Some of the streets are barely recognisable.

In recent years when I've been back for work, or visiting family, it's striking that Bristol is embracing its potential as a vibrant place to live, work and of course study.

These impressive changes will, I hope, help the city and its people through the tough times we're facing, as we see the consequences of the pandemic and the European war.

And against that backdrop, with those challenges all around us, tonight I want to give you my take on a long-running and often fiery debate on the role and value of our national institutions, and how they help us through those challenges.

And ... it won't surprise you to hear that I'll be mounting a defence of institutions – albeit a qualified one.

Through the ages, criticisms of institutions have centred on consistent themes.

They're too slow to reform. Too sluggish to innovate.

Instead of using their size and power to drive progress, they block it.

So, are they really worth fighting for?

I profoundly believe they are - and we all have a role to play in their defence.

That role has two parallel elements.

To preserve, and to reform.

Continuity and change.

Of course, my particular interest is in the national institutions that support the functioning of government and our parliamentary democracy. Much of what I say, I hope will be familiar in other settings.

We can start by looking further afield – around the world, liberal democracy is under attack. From despots and autocrats who come for institutions that support and sustain fair and open human development.

Every day, we witness the brutal consequences of Putin's actions in Ukraine. Either as a prelude to, or alongside, violence we see the use of a standard playbook. One with deep roots into the Soviet past. One designed to de-legitimise institutions and undermine trust in them.

Dictators know well the value of institutions and what they represent.

By undermining them they strike at the fabric of society.

And they create fertile ground for alternative and corrupting narratives.

Now fortunately, here in the UK our situation is very different.

As in all liberal democracies, we can be proud of the open, healthy debate conducted, without fear or favour, about the role of our institutions.

And at the heart of that debate lies the question of those institutions and their so-called 'licence to operate'.

How they re-earn this – every day and with every new generation.

How they continually evolve, and stay relevant.

How they remain recognisably the same, yet recognisably different.

This evening, I'm going to tell you a bit more about what we are doing in the Civil Service to retain that licence to operate – and my five tests of progress. But first, I want to take you behind the scenes of Operation London Bridge – ten extraordinary days last September after the death of our Queen Elizabeth II.

A historic moment when our great institutions proved what they can achieve.

I remember looking around windowless COBR rooms packed, physically and virtually, with senior leaders from across Government, the Royal Household and Parliament. The Civil Service; Armed Forces; the Police; The Fire Service; the Church; and, the City of London.

The Scottish Government, Welsh Government and the Northern Ireland Executive. The Queen died at Balmoral, so the Scottish Government had to make all those Scotland-specific arrangements. And we all had to ensure that the new King's tour of his United Kingdom went well.

Institutions, ancient - some of them truly ancient - and modern, gathered with common purpose.

Symbols of the underlying strength of a nation notable for the variety and traditions of its institutions – from the 17th century coffee shops that spawned hubs of commerce and the Lloyds insurance market, to our Royal and learned societies, great universities like this and even the Fourth Estate.

All part of the rich tapestry that Anthony Sampson described in his famous series *Anatomy of Britain*. He wrote about what he called the 'metabolism of anonymous institutions which settle our daily lives'.

Many of those institutions came together for Operation London Bridge.

The demise of our Sovereign had triggered complex layers of solemn ceremony and ritual, directed by royal and government procedure and practice.

Plans, developed over many decades, for us to deliver in the full gaze of the world – drawing on long institutional memory.

The funeral, in the verdict of The Times, 'served as a reminder that at its best, the British state remains the envy of the world, staffed by many dedicated public servants of whom the country can and should be proud.'

And I couldn't agree more.

On behalf of the citizens they exist to serve, the institutions – and their staff – did their job.

They achieved far more for their late Sovereign, their new King and the nation than any individual could achieve alone.

But those institutions around that COBR table aren't just there for the deeply significant moments in our history.

They're there for the day-to-day as well. Working for people up and down the country. Getting stuff done.

Keeping the country running and society safe.

With their rules and regulations and standard operating procedures, they're so easy to satirise – and so easy to miss when one day they're not there and the stability they provide is gone.

Throughout history, institutional broad shoulders across the public and private sphere have carried the nation.

The Bank of England, for one – founded in 1694 to 'promote the public Good and Benefit of the People.'

Over 300 years later, the official mission has barely changed: it's still charged with promoting 'the good of the people of the United Kingdom by maintaining monetary and financial stability'. Perhaps a bit more technocratic these days.

The Treasury is even older. It began approving all government spending under Charles II. Much more recently, Treasury teams worked at warp-speed on the furlough schemes that kept millions of jobs and businesses afloat during the pandemic. And they designed and distributed urgent cost of living payments to millions of vulnerable people, working closely with their colleagues in the Department for Work and Pensions and HMRC. From ministers announcing the support to making the first payments took less than two months.

I am immensely proud of what my Treasury colleagues and so many others have done during the pandemic and since.

Yet for all the good work, there are plenty of critics – and so there should be in a liberal democracy – of the institutions, their leaders and their staff.

So what's the truth? Do the country's institutions help – or hinder?

Obviously I am not neutral in this. I've worked directly for Heads of State, Heads of Government - even the Secret State, as Peter Hennessy called it, up the road in Cheltenham.

So of course I am going to defend institutions.

But as I said, it is a qualified defence.

Take the Civil Service. Many thoughtful critics correctly call out our weaknesses.

I and the vast majority of civil servants – past and present – recognise them too.

As in most institutions – maybe even universities?! - the internal debates about what we need to do to improve are more vociferous than the external ones.

As I said in my equivalent lecture last year, we must seize the moment; and not miss the opportunity – to keep applying the many lessons we learn – sometimes painfully, often successfully – from the day-to-day *and* the moments of crisis, to achieve lasting change.

And as you will hear the Civil Service is accelerating progress in critical areas.

Focusing even more on outcomes. Growing our skills. Making better use of data – you will realise that this is an obsession of mine that I will return to later.

And we must do this because like every institution, we have no automatic right to exist.

The people who create institutions will always come out fighting for the ones they believe in.

If people see, and believe, that institutions are operating effectively, delivering in their interests, they're more likely to trust them.

We allow institutions to make life-changing judgments and decisions on our behalf.

To act in ways that affect our families, our communities, the environment, the whole country.

If people feel an institution is no longer working in their interest – the relationship is at risk.

So institutions must change with the times. And our late Queen Elizabeth recognised this challenge during her 70-year reign.

She summed it up fantastically in a speech in 1997 when marking her golden wedding anniversary in the presence of her new Prime Minister, Tony Blair.

'Despite the huge constitutional difference between a hereditary monarchy and an elected government, in reality the gulf is not so wide,' she said. 'Each, in its different way, exists only with the support and consent of the people. That consent, or the lack of it, is expressed for you, Prime Minister, through the ballot box. It is a tough, even brutal, system but at least the message is clear for all to read.

'For us, a royal family,' she went on, 'the message is often harder to read, obscured as it can be by deference, rhetoric or the conflicting attitudes of public opinion.

'But read it we must.' Wise words indeed.

I have in mind five tests which can help assess how our institutions are doing.

To monitor how well we are earning and re-earning the support and consent of the people.

These are drawn largely from my own experience, but through my discussions with colleagues from a whole range of institutions I realise that many take a similar approach – whether they lead public, private, local, national or international bodies.

So let me introduce these five tests.

The first one - do we know who our customers are? And do we serve them well?

Are we delivering what our elected representatives ask of us, on behalf of the voter and the taxpayer? Have we really taken the time to understand who we work for and what they want?

Second - are we staying true to our core purpose?

Even as we do that necessary modernising, are we staying true to our roots?

Third - are we updating the way we do things to stay relevant?

Are we adopting new technologies, systems and processes so that we can solve problems and deliver public services in the way that 21st century citizens would want?

Fourth – is our approach to managing risk proportionate?

Have we got the balancing act right? In a fast-changing world, are we neither too cautious, nor too reckless?

And the fifth and final test – do we have the right people in the right places?

Without that, we would never make progress on the first four tests. So crucially, do we have the workforce we need to meet the challenges of today – and tomorrow?

It's not a question of pass or fail. It's about having a benchmark for our performance. The tests allow us, and others, to judge whether we are staying relevant and effective over the passage of time.

And if you allow me in the second part of the talk, I'm going to let the great work of civil servants up and down this country speak for itself – to show you how we, as an institution, are doing.

So starting with the first test. Knowing and serving our customers.

Now, our marching orders come from the government of the day, which acts on behalf of the electorate.

Civil servants advise; politicians decide.

We answer to them, day-in, day-out, for the advice we give and how effectively we are delivering on their promises.

Permanent Secretaries – my colleagues who work tirelessly to lead departments – are usually at the forefront of this duty. They spend a great deal of their time at the interface between the political and the administrative – and they do not get nearly enough thanks for what they do.

And of course, a very large number of civil servants up and down the country aren't engaging with ministers every day.

Instead, they are engaging directly with the public – helping their lives run more smoothly – whether that's driving a car, travelling abroad, applying for benefits, training for a job, getting a tax rebate or claiming their pension.

This is the all-important operational arm in the Civil Service: the public services that we must continue to run effectively for citizens.

Let's look at the performance of the Passport Office.

It made the headlines coming out of the pandemic. People, rightly, were unhappy when their passports were held up – over 400,000 did not arrive within the target time last year.

The Passport Office has worked hard to turn things around. As of last week, 99.4% of UK applications did meet the target. You don't often hear about that in the news. But here's what a Mumsnet member recently posted on the forum about the slicker digital process for a renewal.

'I'm so impressed. Completed in a week, start to finish....No need anymore for tiny photos of me countersigned by a neighbour with a worthy job...Instead, I just filled in the online application, inserted the code and paid online, posted off my old passport and got the new one through my front door in under a week, with text updates at every stage.

'Given there is so much to moan about,' she concludes, 'isn't it good to give a shout-out to such a great improvement in government service?'

Well, I couldn't have put it better myself – although, I must stress – you'll see no complacency amongst my colleagues at the Passport Office. They will keep aspiring to deliver the best.

Being the best also means looking after every penny of taxpayers' money. That's what our government functions – that is, centralised services such as counter-fraud, commercial and digital – were set up to do, some time ago. In 2021, they saved us £3.4bn of taxpayers' money.

In our drive to serve our customers better we are also moving policy-makers out of the traditional Whitehall heartlands of the mandarinate.

Our aim here is to get more of the solutions and services that are delivered by government drawn up in the heart of the communities we serve. So by 2030 we will have shifted 22,000 roles out of London and the South East. Over 8,000 of those jobs have already moved. As a result we have more colleagues working across the country in places like Glasgow, Birmingham and just over the Severn in Cardiff.

Civil servants have been based across the South-West for many years – I think over 50,000 in the region. But what we're looking to do is expand our footprint in other areas where we're less represented.

Take Darlington. It's home to the Treasury's second headquarters. The Prime Minister, both as Chancellor and in his current job, has actually worked from there. He loves it. There's also teams from the Departments for Business and Trade and Levelling Up, as well as civil servants working on education and culture.

The Office for National Statistics – which I know many of you know very well – is there too, as is the Competition and Markets Authority. In this thriving community – honestly, it is a thriving community, if you ever get the chance to go to Darlington, please do, tell them I sent you – people from the north east are forging their careers in the north-east. I've been there a few times myself to meet new joiners and I'm struck by their extraordinarily wide range of backgrounds and interests.

We've shown that anything is possible – a permanent secretary is now based there. So no longer must our Darlington colleagues pack up their lives and move south in order to climb the Civil Service ladder.

Turning now to the second test – the core purpose: What do we stand for?

It's one of the great privileges in my job, to go around the country and talk to my colleagues. I always ask them why they joined the Civil Service.

And whether they're a recent recruit or about to retire, the answer tends to be: to make a difference to my country, to my community.

Serving others and making a difference.

That's what we stand for. The clue's in the name.

We're a service.

Selfless service must remain at the core of what we do and how we do it.

And the third test. Are we updating how we work to stay relevant?

It's quite a challenge to get all 500,000 of us to be constantly innovating and evolving.

It's a challenge we try to take head on.

I believe we are at an inflection point in how government works – with better use of data at the heart of it, to solve problems and design better public services.

In the Civil Service, the Office for National Statistics is leading the way.

Many of you may have heard of the COVID-19 Infection Survey, which was absolutely crucial to our understanding of the spread of the virus.

More recently it's been helping the public understand the effect of rising prices on their spending power through its online personal inflation calculator – which was developed in partnership with the BBC – and a tracker of low cost grocery items.

The next step is its Integrated Data Service, set to launch later this year. Although still in beta phase, it will enable us to combine and compare information from right across the public sector about what's happening in the public services, what's happening in the economy and what's happening across society.

It was really interesting earlier today to sit down with your colleagues from the Economics Observatory and the Centre for Evidence-Based Public Services, to hear more about what we need to do to become a truly world-leading civil service in the use of data in government.

Within government, data is now vital in the support of decision making. There's a team, largely made up of ONS people, who make up the Spatial Data Unit in the Department for Levelling Up. And their work goes down to the minutiae of postcode-level data to map the challenges and opportunities in local neighbourhoods.

It's this kind of work that plays to our ambitions in this area: namely, analysts from across government collaborating on shared problems; building understanding amongst non-experts to make them smarter customers; and integrating data from across government and beyond.

But of course it's not just about exciting new technologies – no matter how much people like me get excited by them. But about our analogue ways of working. We are after all still a human organisation.

The fact we need to break down silos – well, that’s a well-worn Whitehall trope.

We are getting better at joining up thinking across departments, professions and functions – but we do need to do more of it, and faster, because the problems we are tackling don’t fit neatly under any one department.

But we must work more across institutional boundaries too – we can always achieve more by working together.

We need to break down barriers.

Make things easier by simplifying processes.

Collaborate more; complicate less.

Just as we’ve been doing in the criminal justice system to improve outcomes for victims of rape and serious sexual offences. Here, the Home Office and Ministry of Justice, the Crown Prosecution Service and Police are working together across their systems.

And there’s always more to do in an area like this.

But through the work that partners have done under the Government Rape Review, the Joint National Action Plan and something called Operation Soteria we’ve already made a difference. It has helped to increase the number of cases that the Police send to the CPS for a charging decision or early advice by 69%; and to increase the number of suspects that are charged by 86% in just two years – exactly what victims have asked for.

Another good example is Homes for Ukraine. You’ll remember, this scheme was designed to capture the warm-heartedness of people up and down this country who wanted to give shelter to the Ukrainians fleeing the war. Here, it’s interesting, the government chose not to be the big-state player of the pandemic era but instead a light-touch digital facilitator. Ukrainians are matched via an online platform with UK sponsors offering up accommodation; they receive an allowance for that generosity of spirit.

It’s an interesting model of reaching across institutional boundaries to solve a collective problem – in government, a multidisciplinary Whitehall team, working with local authorities, charities and private sector partners; each providing a key piece of the puzzle.

Partnerships too, with academia – earlier today, I was at the Bristol Digital Futures Institute. Among their projects, a ground-breaking collaboration is afoot between your academics, including a couple in the room – probably too secret to say – and civil servants,

working on new methods for swarm robotics that could help the government better detect and protect the UK against espionage.

Everywhere we look, challenges across the economy and society are ever more complex. The answers don't just lie in the government's hands.

Governing – delivering for the people of this country – is a team sport. We rely on partners across the public and private sectors, in local, national and international spheres, to pull off significant achievements. As here in the dramatic regeneration of the Temple Quarter and the university's new Enterprise campus. The plans there are just amazing.

Turning to the fourth test – are our processes proportionate to the risks and issues being managed?

Institutions must constantly recalibrate their threshold and appetite for risk. Is it proportionate to the changing context and environment?

I think of occasions – many recently, the 2008 financial crisis, the pandemic, Putin's attack on Ukraine – when the risk is so great that our standard responses are simply inadequate and we must do new things to respond. And that requires grit and a certain courage that the average onlooker might not traditionally associate with the Civil Service.

But during the pandemic we moved with a decisiveness and turn of speed that surprised many. Such bravery and leadership continue in the Civil Service today and I am proud to champion it where it is found.

I am keen that the Civil Service – instead of waiting for the existential crisis to shrug process aside – constantly seeks to make rapid decisions, turn things around.

Again, Ukraine is a case in point. As the first anniversary of the full-scale invasion approaches, we continue to provide vital materiel for Ukraine's armed forces: driven by the extraordinary well orchestrated and unprecedented global search. And the logistics of a supply chain that gets equivalent of ammunition worth over £2billion since the start of the conflict.

The same philosophy is behind our new Advanced Research and Invention Agency – ARIA as we call it. A new model of organisation for the British state that borrows heavily from DARPA in the United States.

A 'high risk/high reward' agency – backed by the government but independent of it – ARIA will be led by visionary scientists and tech experts. They had called for an

organisation streamlined by design – one without the extra layers of funding approvals and reviews that are well-intentioned but can stifle creativity and dynamism.

Their brief is to focus on projects with the potential to produce transformative technological change, or a paradigm-shift in an area of science. It's early days. Many of its programmes may well not come off – but that's the nature of the high risk-high reward ratio. Those that *do* succeed – the breakthroughs that *do* move the dial – should have a profound, positive effect on our economy, security and society as a whole.

Look, it's not always right to throw off the shackles of the so-called Green Book – that's the Treasury's guidance on spending.

There is of course a place for proper investment appraisal before spending taxpayers' money. It's a great part of what we do.

My point is that you adjust your risk appetite depending on the context – whether that is war in Europe or the race to be the scientific superpower.

In either scenario, we see risks in the failure to act: in the missed opportunity.

My fifth and final test is the vital enabler. The foundation of our institutions and capabilities.

Our people.

To tackle future challenges we must draw on the abundance of thought, backgrounds and skills we have right across the UK.

We must bring them into teams of different talents and viewpoints in order to find innovative solutions for the most pressing issues.

This requires investment in our people as well as hiring talent in. We are doing this by overhauling our training development programmes, and casting our talent net far and wide. Our priorities are to develop our digital and data capabilities; grow our science and engineering expertise; and build our project and operational delivery skills.

Over the last year, we have made great strides with the Government Skills and Curriculum Unit. We have a new government Campus for learning which is now operating in three physical locations as well as online.

We have a revamped programme for our directors in the Civil Service that is preparing the next generation of leaders for tomorrow's challenges. It will strengthen and equip them with skills to succeed at the most senior levels.

More immediately, we are working with the Royal Society and the Royal Academy of Engineering to bring in mid-career science and engineering experts in the shorter term. We saw in the pandemic that when we bring in people mid-career from these disciplines, they can make a huge difference to our policy thinking and the delivery of our services.

At one of the entry levels of our workforce, we are making three fundamental changes to our Fast Stream programme.

Half of the next cohort will be STEM graduates: not just in a science and technology specialism, but in our generalist Fast Stream – half will be STEM graduates. So we will bring in the brightest and best scientists, engineers, technologists and mathematicians from across the country into the heart of all the policymaking and design work around public service. Not 'making science and technology, engineering and mathematics a specialism' and treating it that way, but putting those skills at the heart of everything we're doing.

We are also piloting regional schemes in Darlington and Yorkshire.

We are changing the make-up of the training for our recruits, so that they concentrate on foundational skills in digital, finance, and commercial.

Yes, I know I've spoken a lot this evening about data.

But our data training is not just for specialists or graduates.

It's far too important for that.

All civil servants – half a million of them, from apprentices right up to Permanent Secretaries – will this year complete at least one day of dedicated data training.

And I know that doesn't sound like a lot – one day of data training – but that's 500,000 days of training in a year.

Because we do need our data experts, the ninjas as I call them. The reality is that every civil servant needs to be better equipped to use data in how they solve problems; and design and deliver public services.

Now, I have spoken here about hiring people, moving people and training people. All vitally important in any conversation. But as we all know, these need to be underpinned by world-class HR systems and processes.

Our new Chief People Officer, Fiona Ryland – in the audience today – is on the case. She too wants to bring down barriers: so that we can recruit more quickly, offer the brilliant training our staff deserve, provide them with better development opportunities and make it easier to collaborate across departments.

So, these are my five tests. If we can crack these, we will be making real progress.

And across the Civil Service I see it happening.

Through people like Andrew, Stuart and Joe – I wish I could introduce them properly in person. Here's the trio who built the world-famous online queue tracker for Queen Elizabeth's Lying-in-State – QueueTube as it became known – they persisted in their mission even when a whole string of global tech giants told them it couldn't be done.

Like Rizwan, and his team across 16 London JobCentres, who got over five and a half thousand young people into the Kickstart programme in 6 months.

Sara and her Home Office team – who, fuelled by Pepsi Max, she admits – settled many thousands of Afghans in the UK after the Taliban takeover and our evacuation.

Clarice at the MoD – only four years into her Civil Service career and now sending multiple launch rocket systems to Ukraine.

And finally Bec, an apprentice at the Defence Science and Technology Laboratory – she swapped her job at the staff nursery there and is now working on complex weapons systems.

These are just a few of the people to be proud of.

Excellent work like theirs is happening not just in pockets but across our service.

Our work may not always be heralded publicly. But that's not new.

Back in 1950 one of my predecessors, Sir Edward Bridges, gave a lecture entitled Portrait of a Profession: The Civil Service Tradition.

Although dated in many parts, his portrait is also strikingly familiar. Right down to the caricatures.

'The Civil Servant is traditionally an object of fun,' Bridges wrote. 'I take this to be part of the Englishman's reaction against authority. Being a law-abiding person, an Englishman will probably do in the long run what he is told to do; but equally he resents being told, instead of being left to find out for himself. And part of his reaction is to take it out on those who give orders to him, by treating them as figures of fun.

'I confidently expect,' Bridges concluded, 'we shall continue to be grouped with mothers-in-law and Wigan Pier as one of the recognised objects of ridicule.'

But even if Bridges was right, we shouldn't settle for it.

We need to keep explaining who we are and what we are doing.

And re-earn that vital licence to operate, as a national institution.

By preserving and reforming.

To achieve continuity and change.

And remain an institution worthy of defending.

We, like many institutions, are not always perfect.

But after 150 years - probably middle-aged I'd say for a UK national institution - we will continue to strive and to challenge ourselves to do a better job, every day for the public and the country we are so proud to serve.

ENDS