

# Streamlining the Quango State

By Tim Ambler

BRIEFING PAPER

## EXECUTIVE SUMMARY

- Westminster governments have festooned themselves with public bodies, collectively barnacles on the ship of state. To govern well, the executive of a government (the Cabinet and ministers) should focus on governing and not be sidetracked by other functions. The Public Administration Select Committee and the National Audit Office have complained of the lack of any clear taxonomy of these “arm’s length bodies” (ALBs).
- Some of these ALBs (non-departmental public bodies) are part of, and yet independent of, the executive at the same time. If being part of the executive is more important, they should be “executive agencies”; if being independent is more important, they should be accountable to another branch of state. The executive is only one branch of the state – the legislature and judiciary are others. Democratic accountability derives from Parliament, our elected representatives; the executive is only democratic to the extent that it is accountable to Parliament.
- Sir Robin Ibbs created executive agencies to provide government departments with specialist units to deliver policies. Crucially, their performance should be measured against pre-defined quantified targets and reported annually.
- The Cabinet Office lists 16 “non-ministerial departments” and 185 “non-departmental public bodies”, (i.e. quangos). This paper proposes reclassification as either executive agencies, reporting to some branch of the state other than the executive, merger with another body or its parent department, privatisation, or closure.
- Not all readers will agree with every reclassification, but the wood matters more than individual trees. The key point is that bodies should be clearly classified as either part of the executive or independent thereof and accountable to Parliament. There have been previous attempts to cull quangos, but 201 remain. This paper presents a vision for how to reorganise this quagmire. If the Government wished to act on it, further detailed work would be required.
- Regulators and ombudsmen are also supposed to be fully independent of the executive and should therefore, like the National Audit Office, be answerable to the first branch of the state, namely Parliament. Furthermore, economic regulators were only created to transition their markets from state monopoly to competition and then depart. Ombudsmen should take over this function as part of continuing to ensure fair play for consumers.
- Tribunals should be part of the third branch of the state, namely the judiciary.

- This leaves a fourth category, national assets such as parks and museums, which are neither governing us, and therefore should not be part of the executive, nor do they fit into the judiciary. The legislature is not geared to supervise each one of these bodies. A clear taxonomy for all public bodies perhaps demands a further branch of state to supervise these public corporations. It would be answerable to Parliament, and therefore be democratically accountable like the executive and the judiciary.
- Executives should focus on governing, no easy task. The current Government is considering how it should be streamlined to do so most effectively. This paper, and especially the proposed taxonomy, is a contribution to that discussion. While savings are not the objective, reductions of 33,885 staff and £3,249 million p.a. net costs would be achieved.

**Tim Ambler** was with International Distillers and Vintners, the predecessor of Diageo, from 1963-90, and then a member of the London Business School Marketing Faculty until he retired in 2010. He has been a Senior Fellow of the Adam Smith Institute since 2004, critiquing EU and UK bureaucracy, health and social care, regulators and regulation.<sup>1</sup>

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<sup>1</sup> Tim Ambler is grateful to Kira Kapustina who contributed most of the data for the appendices.

This paper analyses Whitehall arm's length bodies (ALBs), but not those which are part of devolved or local governments. The main source is the UK Cabinet Office listing "Departments, agencies and public bodies".<sup>2</sup> The paper's aim is to show how the state's structure could be streamlined to help the Government focus on governing.

The current Government is fully aware of the quango problem: Michael Gove, in his June Ditchley Lecture, said "we surely know the machinery of government is no longer equal to the challenges of today."<sup>3</sup> The Institute for Government agreed with a call for, inter alia, "simplifying overlapping or competing public sector organisations."<sup>4</sup> The Times 19<sup>th</sup> August leader prompted by Ofqual and Public Health England (PHE) was subtitled: "These quangos are symptomatic of the deep problems with Britain's machinery of government. Serious reform is required, not quick fixes".<sup>5</sup>

Whitehall is confused as to which ALBs are truly part of the executive and which are independent. The word "quango" is relatively new and "quasi" itself indicates that they are neither one thing nor the other.<sup>6</sup> For example, HMRC collects the taxes for the government and is clearly part of HM Treasury. Regulators and ombudsmen, on the other hand, are supposed to be independent of government, and some, like the National Audit Office (NAO), are already independent. This paper reviews the criticism from Parliament and the NAO of quangos and proposes a clear taxonomy for these bodies as well as a solution to the conundrum of accountability.

We should be clear, as it lies at the heart of this paper, about the meaning of "independent" in this context. Individuals and quoted companies are independent of government but still have to do what government tells them to do. Governments govern. In the case of ALBs, it means *managerially* independent. Government sets their objectives, what they should achieve, but not how they should do so. When Gordon Brown famously gave the Bank of England its independence in 1997, the Chancellor set the objectives, low inflation, but not how they should be achieved; the setting of interest rates moved from HM Treasury to the Bank itself. The BBC's objectives are laid down in its charter, and the funding, as with all ALBs, is a matter for government, but the BBC itself has managerial independence. All ALBs falling into this category are "public corporations".

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<sup>2</sup> <https://www.gov.uk/government/organisations> downloaded 20th June 2020

<sup>3</sup> <https://www.gov.uk/government/speeches/the-privilege-of-public-service-given-as-the-ditchley-annual-lecture>

<sup>4</sup> <https://www.instituteforgovernment.org.uk/sites/default/files/publications/reform-centre-government.pdf>

<sup>5</sup> <https://www.thetimes.co.uk/edition/comment/the-times-view-on-public-health-england-and-ofqual-failing-state-h3kd0w053>

<sup>6</sup> <https://www.nytimes.com/1987/09/05/opinion/l-letter-on-quasi-public-organizations-whence-came-the-quango-and-why-969587.html?pagewanted=1>

According to the Cabinet Office, there are 364 public bodies (See Table 1, column 1).

**TABLE 1: EXECUTIVE PUBLIC BODIES 2020**

NUMBER OF ALBs	ORIGINAL LISTING	REVISED LISTING
Ministerial departments	4	4
Non-ministerial departments	16	16
Executive agencies	33	49
Executive non-departmental public bodies	112	109
Advisory non-departmental public bodies	65	72
Public corporations	12	12
Tribunals	10	10
Other	112	114
<b>Total</b>	<b>364</b>	<b>386</b>

The same website has two other listings, one of 20 “non-ministerial departments” and another of 411 “agencies and other public bodies”. These include defunct and devolved bodies; the revised listing column in Table 1 consolidates only extant UK and English ALBs (or rather what the Cabinet Office believe to be ALBs) eliminating minor subsidiaries. The Cabinet Office also publishes a public bodies report and the summary table (Annex A) shows 301 ALBs.<sup>7</sup> This is clearly an underestimate. “Around 400” is as precise as it is possible for the Cabinet Office.

There were 1,162 UK (965 Whitehall) quangos in 2007.<sup>8</sup> This number was considerably reduced by the Coalition Government’s “bonfire of the quangos” which claimed £26 billion savings from closing 100 and merging 80 others.<sup>9</sup>

The paper proceeds by outlining the critique of the existing system of ALBs, followed by discussion of the role of government departments, executive agencies, money channels, advisory non-departmental public bodies, public corporations, tribunals and other public bodies.

## **CRITIQUES OF ARM’S-LENGTH BODIES (ALBS)**

An ALB for the purpose of this paper is a unit linked to a government department but “which operates to a greater or lesser extent at a distance from Ministers.”<sup>10</sup> Much confusion arises from whether they are independent from, or part of, government or both. This paper argues that each ALB should be clearly one or the other: part of

<sup>7</sup> <https://www.gov.uk/government/publications/public-bodies-2018-19-report>

<sup>8</sup> <https://www.theguardian.com/news/datablog/2009/jul/07/public-finance-regulators>

<sup>9</sup> <https://www.instituteforgovernment.org.uk/news/latest/bonfire-quangos>

<sup>10</sup> <https://publications.parliament.uk/pa/cm201415/cmselect/cmpublicadm/110/110.pdf>

government or independent of government. The NAO audits the government but is, as it should be, independent of it and answers directly to Parliament. Regulators and ombudsmen who may need to find fault in their linked departments should similarly be truly independent.

In 2014, House of Commons Public Administration Select Committee was less than complimentary about ALBs:

“The controversy around the Government’s handling of flooding last winter showed that arm’s-length Government is confused and opaque. Organisational forms and names are inconsistent. Most public bodies answer to Ministers but some are directly accountable to Parliament. There is no agreement on how many types of body exist. There are overlaps and blurring between categories. Accountability arrangements and reforms so far have been ad hoc. The Government has reviewed non-departmental public bodies, but it should review all forms of arm’s-length Government, including executive agencies and non-ministerial departments. The Government should establish a clear taxonomy of public bodies: constitutional bodies, independent public interest bodies, departmental sponsored bodies, and executive agencies. All public bodies should sit in one of the categories, so that it is clear how each is to be governed and sponsored. This is essential in order to clarify who is accountable for what. This would promote understanding of what is expected of relationships and explain the rationale for locating functions in particular organisational forms. Up to date, plain English statements of statuses, roles and relationships are needed even if the underlying arrangements are complicated. This is far from the reality in many cases, particularly in the NHS. With a budget of £95.6 billion NHS England is now by far the largest public body in England and its accountability should not be in any doubt, but it is still evolving. There is insufficient understanding across Government about how arms-length Government should work.”<sup>11</sup>

The NAO, in a 2016 report, was similarly scathing:

“Arm’s-length bodies (ALBs) is a commonly used term covering a wide range of public bodies, including non-ministerial departments, non-departmental public bodies, executive agencies and other bodies, such as public corporations..... The NAO found that the arm’s-length bodies sector remains confused and incoherent....If one of the main reasons for having arm’s length bodies is to provide a zone of relative independence, the fact that oversight mechanisms focus predominantly on compliance and control means there is almost certainly room for improvement.” Amyas Morse, head of the National Audit Office.<sup>12</sup>

<sup>11</sup> <https://publications.parliament.uk/pa/cm201415/cmselect/cmpublicadm/110/110.pdf>

<sup>12</sup> <https://www.nao.org.uk/report/departments-oversight-of-arms-length-bodies-a-comparative->

This section considers the ministerial and non-ministerial departments in the Cabinet Office listing and how they should be categorised.

The listings above include four ministerial departments (See Table 1). The Privy Council Office is shown as “other” but it is an intrinsic part of the Privy Council, the illustrious body of state that formally advises the Sovereign on the exercise of the Royal Prerogative, Orders in Council, and Orders of Council. As the Privy Council’s powers have now been largely taken over by the Cabinet, we can, for the purposes of this paper, regard the former as being integral with the latter.

A small number of the other listed bodies are civil service departments, or part of them, or could be part of them. Ministers and senior civil servants can summon advisers any time they like but that does not necessarily need the formation of a permanent year-round standing committee.

The Cabinet Office listing used here has 16 “non-ministerial departments” although another 2020 Cabinet Office listing has 20. It makes little sense to be part of the executive but with no minister having responsibility for them. The Supreme Court, for example, is part of the judiciary and not a department of the executive. The other two “departments” listed are the Food Standards Agency and the National Crime Agency which should be classified as Executive Agencies, reporting to Environment, Food and Rural Affairs and the Home Office respectively.

Perhaps the most controversial bodies are the Serious Fraud Office (SFO) and the Crown Prosecution Service (CPS), both of which should be executive agencies reporting to the Attorney General. The former was founded in 1987 and employed 528 staff, costing £56 million net of £3 million income.<sup>13</sup> It is supposed to recover the ill-gotten gains from fraud and thereby provide taxpayer value. In practice, it investigates few investigations: 11 in 2018/19 which was more than any of the previous six years: “17 defendants out of 32 were convicted in five cases, giving conviction rates by defendant of 53% and 86% by case.”<sup>14</sup> Although the report claims about £10 million recoveries, the picture is confused and the accounts only show £3 million. Whichever way it goes, the taxpayer would be a lot better off if the SFO ceased to exist and investigations were taken over by the National Crime Agency and prosecutions by the CPS.

Much the same could also be said of the CPS, founded in 1986, which an anonymous barrister has slammed for bureaucratic incompetence.<sup>15</sup> The average full time equivalent (FTE) number of CPS staff in 2018/9 was 5,584 and the total cost was £504 million.<sup>16</sup> The solution would be for the CPS largely to withdraw from the

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**13** Serious Fraud Office Annual Report 2018/19.

**14** Serious Fraud Office Annual Report 2018/19, p. 12.

**15** The Secret Barrister, 2018, Stories of the Law and How It’s Broken, Picador.

**16** <https://www.cps.gov.uk/sites/default/files/documents/publications/CPS-Annual-Report-and->

magistrates' courts, 88% of its cases, and focus on the point where defendants are charged, as proposed by the Leveson 2015 review, and the crown courts.<sup>17</sup> A paper to this effect was recently published by Civitas and found that a savings of 50% of the staff and costs could follow (i.e. 3,000 staff and £280 million p.a.).<sup>18</sup> The NAO has not considered the taxpayer value of the CPS in recent times and the Public Accounts Committee should ask them to do so in order to establish whether these figures are correct.

The Competition and Markets Authority (CMA) is also a non-ministerial department promoting competition for the benefit of consumers.<sup>19</sup> In 2014 it took over this role from the Competition Commission and Office of Fair Trading. As such it should make economic regulators redundant (see discussion of that later).

The Office of Rail and Road (ORR) cost £32.4 million in 2018/19 and most of that concerned rail.<sup>20</sup> It was pleased that its inspectors spent half their time inspecting. Its activities are divided between what rail and road operators should do for themselves, like any other businesses, and prosecuting health and safety infringements which are normally the responsibility of the Health and Safety Executive and environmental health officers in local authorities. The ORR should be closed.

The Forestry Commission is a non-ministerial department; Forestry England and Forest Enterprise England are executive agencies. They all seem to have the same task: managing publicly owned trees, not governing the public. They should be just one public corporation.

This paper excludes, as does the Cabinet Office, stray units, such as the Office for Life Sciences, which publish no annual reports nor staff numbers nor costs.<sup>21</sup> The Office for Life Sciences apparently champions the sector by publishing annual statistics on its size and telling us how important it is. It reports both to BEIS and the DHSC.

On that basis, the non-ministerial departments should be reclassified as follows:

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Accounts-2018-19.pdf

<sup>17</sup> <https://www.judiciary.uk/wp-content/uploads/2015/01/review-of-efficiency-in-criminal-proceedings-20151.pdf>

<sup>18</sup> <https://www.civitas.org.uk/2020/07/17/tim-ambler-are-the-magistrates-courts-fair/>

<sup>19</sup> <https://www.gov.uk/government/organisations/competition-and-markets-authority/about>

<sup>20</sup> [https://orr.gov.uk/\\_\\_data/assets/pdf\\_file/0006/41298/annual-report-2018-19-web.pdf](https://orr.gov.uk/__data/assets/pdf_file/0006/41298/annual-report-2018-19-web.pdf)

<sup>21</sup> <https://www.gov.uk/government/organisations/office-for-life-sciences/about#corporate-information>



**TABLE 2: RECLASSIFICATION OF NON-MINISTERIAL DEPARTMENTS**

ALB CATEGORY	#
Merged into ministerial departments	2
Executive agencies	4
Public corporations	4
Regulators and ombudsmen	5
Abolished	1
<b>Total</b>	<b>16</b>

Where mergers are suggested in this paper, some savings would probably arise but none has been calculated and included in totals. Mergers are into the parent ministries or ALBs where no justifications are seen for separate bodies.

Regulators and ombudsmen do not fit comfortably into any of these categories and are discussed separately below.

## EXECUTIVE AGENCIES

Executive agencies were created in 1988 as part of the Thatcher administration's major reduction in civil service numbers. Conservative governments have twice attempted to radically reduce the size of the civil service, led by top private sector executives. Both failed, essentially because civil servants closed ranks against them.<sup>22</sup> Margaret Thatcher had the wit to realise that only a top, progressively minded civil servant could do the job and successfully appointed Sir Robin Ibbs. Inter alia, Ibbs reported that departments should hand over their executive functions to agencies which should act as independently as possible to achieve the targets and policy frameworks set by their departments.<sup>23</sup> He claimed civil servants were not very good at implementation, that is, actually getting things done.

Executive agencies are therefore fully part of the executive and are not quangos. By 2002, there were 127 agencies, with 92 reporting to Whitehall departments compared with the current 48 (see Table 1).<sup>24</sup> Importantly, the NHS was not one of them then, and is not today, though three of its services were, but have since become non-departmental public bodies. Public Health England is an executive agency and, as such, an arm of the DHSC, even though, during the Covid pandemic, the Secretary of State implied that it did not answer to him.<sup>25</sup> The Ministry of Defence (MoD) had 36 executive agencies in 2002, but now has only three.

<sup>22</sup> <https://www.instituteforgovernment.org.uk/sites/default/files/publications/Efficiency%20Unit%20and%20Next%20Steps.pdf>

<sup>23</sup> Sir Robin Ibbs, (1988) *Improving Management in Government. The Next Steps*. February, HMSO.

<sup>24</sup> *Better government services. Executive agencies in the 21st century*. The Prime Minister's Office of Public Services Reform. July 2002.

<sup>25</sup> <https://www.gov.uk/government/speeches/the-future-of-public-health>

As Sir Robin Ibbs insisted 32 years ago, all executive agencies should report annually on their performance against pre-set targets (preferably quantified) which most do, although some are rather vague. These agencies should report what they are trying to achieve and whether they are successful, not whether the staff are happy or “strengthening the UK economy”.<sup>26</sup>

The Crown Commercial Service is part of the Government Commercial Function and is a good example of an executive agency with clear annual reports setting out its achievements. As the procurement body for central government and the wider public sector, it made a net contribution in 2018/9 of £27.6 million after deducting its own costs of £64.2 million. It had 668 staff.

The Government Property Agency (GPA) was launched in 2018 and its quoted mission is vague and self serving.<sup>27</sup> The risks outlined in the annual report similarly lack insight. For example:

- Management of costs: If the GPA does not manage its costs effectively, it may exceed its budget and the financial benefit to our customers and taxpayers will be eroded.
- Delays or increased costs for major programmes: If unforeseen conditions cause our major programmes (Hubs and Whitehall Campus) to be delivered late or over budget, the benefit to our customers and taxpayers will be eroded. GPA costs to exceed its budget.
- Health and safety risks: If the GPA does not fulfil its responsibilities for managing risks to the health and safety of our staff and the people in and around our properties, people could be injured.
- Risks associated with void areas: If GPA tenants leave a leased property before the head lease expires and there is no new tenant to move in, GPA would have a void cost to fund.”

The GPA Risk Committee met six times and was able to “carry out deep dives into key areas of risk”. There were no quantified performance targets or outcomes with comparatives. The GPA had 127 staff and £16 million in costs excluding property costs paid and received from other departments. It is hard to judge present or future performance from this start-up year. It is only a very small fraction of the parent department in the Cabinet Office: the floor area under GPA control, 74k m<sup>2</sup>, is less than 1% of the area under the department.

One can see the logic of managing the government’s estate centrally so that departments can move as they evolve without each having to compete in the property market. Looking at the departmental numbers, “Over the last five years, the estate has reduced by 13%, and by 30% since 2010”<sup>28</sup>. Though the credit for that should

<sup>26</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/818628/HC2381\\_CCS\\_Annual\\_R\\_A\\_19\\_20\\_WEB.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818628/HC2381_CCS_Annual_R_A_19_20_WEB.pdf)

<sup>27</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/819786/GPA\\_Annual\\_Report\\_and\\_Accounts\\_2018-2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819786/GPA_Annual_Report_and_Accounts_2018-2019.pdf)

<sup>28</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/863283/State-of-the-Estate-in-2018-19.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/863283/State-of-the-Estate-in-2018-19.pdf)

go to the departments shrinking their numbers rather than the property function that houses them. The annual departmental report does not appear to provide any numbers on staffing, costs, targets or outcomes.

Presumably the plan is to transition the entire portfolio into the GPA which seems sensible enough though it would be better if its performance was properly documented in its annual report.

HM Prisons and Probation Service is an executive agency and one can see the merits of that. On the other hand, some prisons are privatised. They could all be privatised. The experiment with privatisation of the probation service was not successful.<sup>29</sup> Probably the middle ground, making it a public corporation, since it is not in the business of governing us and its independence is important, would be the best option.

The four HMRC bodies deal with appeals on council tax and the like: The Valuation Office Agency, The Adjudicator's Office, The Valuation Tribunal Service and The Valuation Tribunal for England. One body should be enough to consider all appeals.

In 2018/19 the DfE Standards and Testing Agency had 140 staff and cost £65 million. It arranges the setting and marking of national curriculum tests for key stages 1 and 2. The curriculum is set by the DfE and there are plenty of test providers in the market which could tender for this business. Whether the costs should be borne by central government or the schools might need further examination but the agency itself seems redundant.

One would expect the Government Internal Audit Agency to show the way executive agencies should report but, like so many others, its performance metrics were given with no comparatives, no trends, no prior year data and no plans.<sup>30</sup> This makes it impossible to judge performance. It employed 451 staff and charged £36 million in fees to other departments leaving a £3 million net cost.

The National Infrastructure Commission was initiated in 2015 and became a Treasury executive agency in 2017. Its 38 staff will supposedly deliver economic growth across all regions of the UK, improved competitiveness, and improved quality of life.<sup>31</sup> Apart from writing a report every five years, it just commissions others to do that which HM Treasury could perfectly well do for itself. This body could be abolished.

Drivers' licencing and testing currently involves two executive agencies (the DVLA and the Driver and Vehicle Standards Agency) and one listed by the Cabinet Office as a tribunal, the Traffic Commissioners of Great Britain. The last claims to be a

<sup>29</sup> <https://weownit.org.uk/public-ownership/probation>

<sup>30</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/818841/GIAA\\_Annual\\_Report\\_and\\_Accounts\\_2019\\_Accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/818841/GIAA_Annual_Report_and_Accounts_2019_Accessible.pdf)

<sup>31</sup> <https://www.nic.org.uk/wp-content/uploads/NIC-201819-annual-report-and-accounts.pdf>

regulator as well as a licencing body but apart from holding public inquiries, the regulation appears to be consolidated within their licencing activities. If regulation is required beyond that, the Department for Transport should be responsible. Their annual report contains no accounts. The three should be merged into the DVLA, which should be privatised with standards set by the Department for Transport.

PHE has staff numbering 5,500, 43% of whom are scientists, and last year cost £287 million (net).<sup>32</sup> As an executive agency, it is duty bound to publish annually its performance versus pre-set targets. The last annual plan shows a long list of achievements but no overall performance metrics, nor targets nor explanation of how PHE achieved those targets. “Keeping the Public Safe” is the top priority but, besides declining rates of tuberculosis, the only protection for the UK public was the delivery of the routine annual flu vaccine and there is no mention of how efficacious that was versus prior years. There is no evidence of any PHE contribution to the tuberculosis decline.

£87 million of PHE expenditure (30%, 2,093 staff) went on “National centres, regional network and capability to identify infectious disease, surveillance and management of outbreaks”. Much of this is bureaucracy and/or overlaps with the NHS. The scrapping of PHE in August acknowledged the widespread view that PHE was incompetent.<sup>33</sup> The next largest, £73 million (25%, 1,027 staff) went on “Supporting local government, clinical commissioning groups and the local NHS”. £65 million (644 staff) was spent on admin and £32 million (79 staff) on “Helping people to take control of their own health”.

In August 2020, DHSC announced a merger of the NHS Test and Trace programme (NHS Improvement) with PHE’s infectious disease responsibilities, the details to be worked out by spring 2021. “The National Institute for Health Protection (NIHP) will start work immediately, with a single command structure to advance the country’s response to the COVID-19 pandemic.”<sup>34</sup> Whilst this has been presented as the end of PHE it is more likely just a shuffling of the cards to give the appearance of controlling the Covid-19 virus.

Whilst this mission is indeed crucial as well as future health protection and research, no more than an estimated 200 or so civil servants in DHSC itself should be needed to commission research and publicity campaigns once the crisis is passed. The research and publicity campaigns would continue to cost as much as they do now so total costs would reduce by only 50% (£144 million) and staff by 96% (5,300).

Radioactive Waste Management was formed in 2014 as a subsidiary public body of the Nuclear Decommissioning Authority (NDA). It breaks even by charging its

<sup>32</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/826575/PHE\\_Annual\\_Report\\_2018\\_2019\\_web.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/826575/PHE_Annual_Report_2018_2019_web.pdf)

<sup>33</sup> <https://www.healtheuropa.eu/phe-to-be-replaced-with-national-institute-for-health-protection/102206/>

<sup>34</sup> [https://www.gov.uk/government/news/government-creates-new-national-institute-for-health-protection?utm\\_source=065f4d2a-13c4-4507-b348-cf34ed36b8e2&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/news/government-creates-new-national-institute-for-health-protection?utm_source=065f4d2a-13c4-4507-b348-cf34ed36b8e2&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

cost to the NDA and fulfils none of the Ibbs' criteria for an executive agency. It should return to being a department of the NDA which should be an executive agency in and of itself, not an executive non-departmental public body.

Rail is the safest mode of transport; it has its own regulator and there are the Health and Safety Executive and local authorities too. It should not need the Rail Safety Standards Board as well.

The Professional Standards Authority for Health and Social Care is independent of the executive and reports directly to Parliament. It was established in 2012 to oversee the nine regulators in this sector and therefore is a regulator, not an executive agency, like the Nursing and Midwifery Council which is appointed by the Privy Council. These responsibilities could be taken over by the private sector, namely the Royal College of Nursing.

Table 3 shows how those now listed as executive agencies have been re-allocated.

**TABLE 3: RE-CLASSIFICATION OF EXECUTIVE AGENCIES**

ALB CATEGORY	#
Remain as Executive Agencies	25
Merge into Depts./other ALBs	2
Money Channels - see below	3
Judiciary	3
Public Corporations	7
Regulators and Ombudsmen	2
Privatise	2
Abolished	8
<b>Total</b>	<b>52</b>

The three armed forces which the Cabinet Office overlooked, are included.

## **MONEY CHANNELS**

One class of ALBs, (e.g. the Arts Council), exists solely or primarily to allocate, as fairly as possible, the annual grants by HM Treasury and lotteries to qualifying recipients, (e.g. theatres). Maynard Keynes was right to persuade government that the arts deserve central subsidy but he would be horrified by the £32 million administrative costs and the 513 staff bureaucracy.

This should be replaced with a committee meeting annually with some secretarial support from the ministry, as with private foundations. It would also determine the online format for applications and the timetable for the following year. The secretarial support would collate the applications, determine how many committee

members will be needed to screen them in one day, invite them, provide a decent lunch, expenses, and compensation for time, collect any proposed amendments for the following year's procedure and inform the applicants of the outcomes. There should be one national committee for the largest likely hand-outs and the regional allocations which would tier down to regional committees if needed.

The largest potential money channel is UK Research and Innovation (UKRI), an ALB formed to supervise ten others in 2018. In 2018/19 UKRI, distributed £6.4 billion to research and innovation through its subsidiaries, spending £403 million on staff and £484 million on other overheads in the process.<sup>35</sup> All but one of these bodies are academic and the funds, in effect, top up the Government's funding of universities. It would be better to roll the academic money into one system and let the universities decide, following governmental guidelines where necessary, how the funding was spent.

The process for applying for business grants is dauntingly complex and, being "state aid", governed by Brussels<sup>36</sup> for another four years after the end of this year if transition is completed then. There are also 12 competitions<sup>37</sup> to encourage particular sectors and a maze of other "funding opportunities".<sup>38</sup> The nub of it, if one perseveres that far, is that each application is scored, arbitrary box by irrelevant box, by three assessors and the highest scores get the money. There should be only one test of a new SME; is it going to grow into a success? Experts may be able to spot reasons why it will fail but almost certainly not why it will prosper. Dragons' Den provides a much better model: 15 minutes with the entrepreneur(s) gives more insight than any amount of boxes and paper. In other words, having committees decide which commercial entities should be rewarded by grants has a long trail of failures dating back to the ground-nuts scheme of 1947/51. It would be better to use the competitive market place and top up investments made by business angels making choices from the opportunities presented.

The NAO should take a close look at whether the present system distributes this public funding of research and innovation efficiently and effectively. Would the competitive market proposals waste less in bureaucracy and be more productive? Meanwhile, this paper assumes that the innovation grants to universities and business angels would continue in full but the UKRI administration would be wound down.

The Education and Skills Funding Agency (ESFA) was founded in 2017, based on the Education Funding Agency founded in 2012, to develop the takeover of the distribution of funding from its parent department. The ESFA in 2018/19 had 1,852 staff and cost £155 million excluding the £56.8 billion it channelled to 25,000

<sup>35</sup> <https://www.ukri.org/files/about/ukri-annual-report-and-accounts-2018-2019-pdf/>

<sup>36</sup> [https://ec.europa.eu/competition/state\\_aid/legislation/gber\\_regulation\\_en.pdf](https://ec.europa.eu/competition/state_aid/legislation/gber_regulation_en.pdf)

<sup>37</sup> [https://apply-for-innovation-funding.service.gov.uk/competition/search?\\_ga=2.171228387.235668178.1590762727-688825206.1577015495](https://apply-for-innovation-funding.service.gov.uk/competition/search?_ga=2.171228387.235668178.1590762727-688825206.1577015495)

<sup>38</sup> <https://www.gov.uk/guidance/innovation-apply-for-a-funding-award#funding-rules>

institutions.<sup>39</sup> This is a staff to customer ratio of 1:13.5 which the NAO regarded as satisfactory in 2015.<sup>40</sup> Replacing it with annual ad hoc meetings would need a two tier distribution arrangement. The simplest way would be to return to passing sub-blocks of the funds, ring-fenced, to local authorities to subdivide them onward to the education and skills units. The core funding was £43 billion, with the other £13.8 billion being a patchwork of a dozen top-ups including £198 million to the EU which will presumably cease.

The Department for Education (DfE) delegates its work to three executive agencies (2,068 staff) and seven executive non-departmental bodies (5,055 staff), and yet still manages to have 4,481 core staff, including six ministers. It bombards the heads of schools and colleges heads with paperwork they do not want. Michael Gove, as Education Secretary in 2010, attacked “the blob”, namely the DfE civil servants and others thwarting his wish to give head teachers freedom to run their schools as they thought best.<sup>41</sup> The blob seems still to be in place. In 2018/19, the DfE cost about £1 billion excluding the £9.1 billion it passed on in grants in addition to those by the ESFA.<sup>42</sup> Why the two sets of grant figures do not match is unclear, though the number of the discrepancies are small. Why would funding not go through the funding agency?

The list of money channel ALBs that should be replaced by this annual money channel process forms Appendix B.

## EXECUTIVE NON-DEPARTMENTAL PUBLIC BODIES

Executive NDPBs are quangos, being part of, and yet independent of, the executive at the same time. This is the anomaly central to this paper. By far, the largest example is NHS England. After more than 70 years, its status has yet to be defined. Is it part of governing us or providing a public service? Some would argue that it is the largest single item of government expenditure and therefore politicians should keep their hands on it. Others would argue that political meddling has been part of the problem.

This is not a matter of democracy because, whether the NHS was an executive agency or a public corporation, it would still be ultimately answerable to Parliament which is where democracy lies. Some politically inspired NHS initiatives have been helpful, but the number of such re-organisations has not. Under current arrangements the Health Secretary is de facto in charge of NHS England but is a professional politician, with little if any managerial or health provision experience. Is a

<sup>39</sup> <https://www.gov.uk/government/publications/education-and-skills-funding-agency-esfa-annual-report-and-accounts-2018-to-2019>

<sup>40</sup> <https://www.nao.org.uk/wp-content/uploads/2015/01/Performance-and-capability-of-the-Education-Funding-Agency.pdf>

<sup>41</sup> <https://www.independent.co.uk/news/education/education-news/what-is-the-blob-and-why-is-michael-gove-comparing-his-enemies-to-an-unbeatable-sci-fi-mound-of-goo-9115600.html>

<sup>42</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/819715/DfE\\_ARA\\_2018-19\\_web\\_\\_1\\_.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819715/DfE_ARA_2018-19_web__1_.pdf)

transient politician more suited to running the largest employer in the land than a seasoned executive with long experience in both? On March 16, Matt Hancock announced that 30,000 patients were to be immediately discharged from hospital beds. The extent to which Sir Simon Stevens was involved in that decision is not known, but what is certain is that the care home sector was not consulted.<sup>43</sup> It appears this, along with poor infection control and staff moving between care homes, was largely responsible for taking Covid-19 into care homes.

The CEO of NHS England has probably the toughest job in the country. NHS England, with more than ten times the number of employees it started with, or employed by any other UK organisation, is simply too big.<sup>44</sup> The NHS is the fifth biggest employer in the world. The present incumbent is beset by 2,163 politicians and civil servants in the DHSC, its ALBs and every member of the House of Commons. And by the external IT, legal and HR functions which all other CEOs would expect to be under their control. NHS Improvement is tasked with running the NHS alongside the Board of the NHS. In April 2019, they were brought under one roof but still with one Board each.<sup>45</sup> The foundation of the country's health care, the GPs, are contractors to, not employed by, the NHS. The larger hospitals are theoretically, but not really, independent trusts.

The NHS is currently classified as a quango, i.e. independent and not independent of the executive. If it is part of the apparatus of government, it should be an executive agency. If, however, it should be seen as a service to the populace, then it should be a public corporation with management best suited to delivering that service, namely health. Whichever classification is chosen, the government is still in charge, as it is with the rest of the country, and control priorities, regulation etcetera. The government will still be picking up the bill and will be entitled to specify what it expects for the money.

The current ambiguity is not satisfactory. This paper recommends neither the executive agency nor public corporation option for the NHS. The alternative options should be reviewed by the relevant authorities and previous health secretaries, and a clear choice made along with resolving the other anomalies above. Since the format of this paper requires one classification or the other, the public corporation option has been provisionally used to be consistent with our last research paper on this subject.

A particularly fine example of the quangocracy is the National Information Board which “is overseen by DH’s [sic] Informatics Accountable Officer, through the National Information Director.”<sup>46</sup> According to its most recent annual report (2015/6) it “guides and agrees strategy, requirements and priorities for information and technology across the health and care system; and commits to ensuring

<sup>43</sup> <https://www.hsj.co.uk/download?ac=3044895>

<sup>44</sup> <https://www.theguardian.com/healthcare-network/2018/may/23/future-proofing-how-nhs-future-uk-largest-workforce>

<sup>45</sup> <https://www.gov.uk/government/organisations/department-of-health-and-social-care>

<sup>46</sup> <https://www.gov.uk/government/organisations/national-information-board/about/our-governance>



that system leaders also align their businesses to deliver the necessary business change for the system wide strategy. The Board is made up of 29 organisations across the health and care system. It is supported by a Strategic Clinical Reference Group who are crucial in providing the clinical perspective.<sup>47</sup> According to the website it has not done or published anything since 2017. If not already defunct, it should be abolished.

The Foreign and Commonwealth Office has charge of Westminster Foundation for Democracy. Under the Ibbs doctrine, this should have clear objectives and should report progress towards them along with other performance measures and accounts. The 2018/19 Report and Accounts has over 140 pages according to the index but only the first 58 were published – needless to say with no performance measures or accounts. The figures used in this paper were taken from the previous year. The idea that 108 staff, led by the previous speaker of the House of Commons, would convert the rest of the world to Westminster style democracy seems unlikely. It should be abolished.

The Marshall Aid Commemoration Commission is outdated. It provides a few scholarships and those should, of course, continue, but merged with another scholarship awarding body, such as Chevening.<sup>48</sup>

The three sports bodies need rationalisation. The English Institute of Sport Limited is a valid executive agency, but should report directly to DCMS. We should not need both UK Sport and Sport England; sport should either be devolved or not. Preferably UK Sport should be devolved, making Sport England a money channel.

The Committee on Climate Change is not “executive” in any sense and its performance cannot be meaningfully measured. It writes and commissions reports and is, in essence, a regulator of government performance in this area.

The Health Research Authority is also not executive: it costs £14 million and employs 210 people to advise others on research (e.g. on ethics). But all research institutions have their own ethics committees and networks. If any part of the private or public sector wishes to commission research they can and will. It is redundant and should be abolished.

Homes England provided £857 million grants for affordable homes but that could be covered by the MHCLG house grant giving, thereby saving the 869 staff and £200 million admin costs, because local authorities do all the affordable homes planning anyway.

Transport Focus mostly deals with rail passenger complaints but as there is now a rail ombudsman, that the quango seems redundant. The surveys on road usage should be undertaken by the Department for Transport.

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<sup>47</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/572415/NIB\\_Annual\\_Report\\_NovA.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/572415/NIB_Annual_Report_NovA.pdf)

<sup>48</sup> <https://www.chevening.org/>

The Single Source Regulations Office is an interesting case. On the one hand it is a key part of MoD procurement so one would expect it to be an executive agency. On the other hand, its independence is stressed and its mandate includes being “fair” to suppliers. The problem, of course, is that neither side can afford to walk away. It is a relatively new (2014) scheme replacing the 1960s system. UK Government Investments (UKGI – see discussion below) (Defence) unit reported its anodyne review in April 2020. It is all very cosy: the head of the unit left last year to chair the MoD’s procurement agency, Defence Equipment and Support.<sup>49</sup>

MoD procurement, despite many re-organisations, has long been regarded as wasteful. In the early 1960s, the author was an auditor of a firm making aircraft for the Fleet Air Arm. The Finance Director told us on day one, not to stint our expenses as the contract was cost plus 5%. The audit team lived well on each of our visits. Lewis Page has been following MoD wastefulness for many years. In July, he recommended, in effect, that the MoD be taken out of the procurement process, leaving the armed forces to buy off the shelf like other nations.<sup>50</sup> The consequential dependence on US supply is not the problem, since we already are: it could destroy the UK defence industry – a major part of our economy. A reciprocal defence buying treaty with the USA would be needed. Both would gain in efficiency and compatibility. The savings would be huge but are beyond the scope of this paper.

Some quangos, such as the Seafish Industry Authority, should be trade associations, financed by the traders, not part of the state. The traders should pay for what they want and need. It should not be for the government to tell them how to conduct their businesses. The CMA should monitor fairness in licencing and the allocation of fees.

The Office for Students distributes about £1 billion in higher education grants and employs 320 staff. Student unions give their members a voice and they are not reticent. They do need to be regulated but the Department for Education should do that without the need for a separate ALB. An annual grant process using ad hoc committees and a small Treasury admin team should be able to influence the grantees towards government policy.

“LocatED is an Arms-Length Body to the Department for Education. It is responsible for buying and developing sites in England to help deliver much needed new school places for thousands of children.”<sup>51</sup> Acquiring premises for local schools should be left to local authorities, and any sites owned by the DfE should be transferred to them.

The UK has 57 nature conservation bodies. One wonders whether they are conserving nature or just the bodies: an English and a Scottish environment department and 15 quangos, six of which are English and nine which are devolved to other

<sup>49</sup> <https://www.civilserviceworld.com/professions/article/head-of-uk-government-investments-to-chair-mod-equipment-agency>

<sup>50</sup> Lewis Page, “It is time to tackle waste in defence spending once and for all,” Sunday Telegraph 19th July 2020.

<sup>51</sup> <https://located.co.uk/>

nations. Then there are 40 non-governmental bodies. The Joint Nature Conservation Committee seems like a layer of bureaucracy too many: the national entities can meet when they wish to and the 186 staff and £13 million costs could be saved.

The Institute for Apprenticeships and Technical Education has 124 staff and costs £13 million to develop standards for apprentices centrally. The whole point of apprenticeships is to learn technical skills by working alongside experienced practitioners on the ground, not fanciful desk drivers in Buckingham Palace Road, SW1. It is a classic bureaucracy with a large board, four sub committees and two advisory groups. Industrial training boards were found, back in the 1970s to be wasteful, bureaucratic and anti-competitive<sup>52</sup> and in 1981 the then 23 were reduced to seven with the responsibilities of the 16 turned over to the private sector.<sup>53</sup> These remaining dinosaurs should go likewise. There would be nothing to stop the BEIS, but not the Department for Education, contributing if some taxpayer funding is justified.

**TABLE 4: RE-CLASSIFICATION OF EXECUTIVE NON-DEPARTMENTAL PUBLIC BODIES**

ALB CATEGORY	#
Executive Agencies	15
Money Channels	7
Merge into Depts./other ALBs	14
Public Corporations	31
Regulators and Ombudsmen	10
Judiciary	8
Privatise	2
Abolished	22
<b>Total</b>	<b>109</b>

Note that no executive non-departmental public bodies are recommended to remain as such.

## ADVISORY NON-DEPARTMENTAL PUBLIC BODIES

Governments should seek advice, from those qualified to provide it, when it feels it is required. Whether a permanent body should be on stand-by for each topic is another matter. A department is not changing all its policies all the time; it only wants and needs to listen to advice relevant to the topic of the day.

<sup>52</sup> <https://discovery.nationalarchives.gov.uk/details/r/C10166>

<sup>53</sup> <https://api.parliament.uk/historic-hansard/commons/1981/nov/16/industrial-training-boards>

There is a technicality here. Executive and advisory NDPBs are created, and would have to be dissolved, by statute whereas executive agencies can be created and dissolved by ministerial decision. Ministers have to consult advisory NDPBs and then respond formally to their advice which they can then ignore, as the Education Secretary did with Ofqual over the 2020 A levels. The point of this, presumably, is transparency but it seems unlikely the populace usually spends any time looking at this to and fro; it is more of a ritual than a substantive check not least because one suspects that MPs are equally unaware of the exchanges. Ministers should certainly be faced by evidence for and against their proposals but that is what civil servants are supposed to do, with outside advice if they need it. We should not have public bodies doing their job for them.

Standing committees of assorted experts waiting to be consulted is an odd concept. Different scientists are experts in different areas. During the pandemic, the Government routinely alleged that their decisions were led by “the science”. It has since turned out that these were hypotheses by scientists, not scientific facts. However well informed scientists may be, until something is proven one way or another, governments should draw on the differing opinions of different scientists and assess the probabilities for themselves.

That implies that all advisory NDPBs should be terminated unless either they are not advisory NDPBs at all or there are exceptional considerations. SAGE is one because it is, or should be, a fulcrum for identifying the scientists worthy of being consulted and ensuring valid opinions are represented. It should not be asked to find consensus, as is currently the case.

It would make more sense for each department to have a register of experts in policies or executive action they might want to review and summon the relevant ones when the topic, such as a pandemic, arises. The registers could be updated annually, giving those signing up the opportunity to suggest something that needs attention.

Where the existence of an advisory NDPB is justified and national security is not involved, the public should know who is providing the advice and the content of the advice. The select committees of the House of Commons are exemplary in this regard: an inquiry is publicised, those they consider knowledgeable are listened to, their advice and the Committee’s conclusions are published. This is notably an open process with anyone able to submit to the relevant inquiries, both experts in the field and members of the public with a specific interest, knowledge or experiences.

Executive NDPBs report at least annually and account for their activities, income and expenditure. Whilst they dress it up, naturally enough, anyone can see who they are and what they have been doing. Advisory NDPBs, however, are less informative. For example, “The Building Regulations Advisory Committee (BRAC) is a statutory advisory body that the Secretary of State will consult on proposals to make or change building regulations. In addition, the Committee provides ex-

pert advice to the Secretary of State on building regulations or related matters.”<sup>54</sup> It meets four times a year and has two sub-committees. One can ask what they talk about, provided one already knows what to ask for. It has not published anything since 2018 and no annual report since 2012. The parent department has over 4,000 staff and can consult anyone at any time. This quango and its two subsidiaries would appear to be unnecessary, except that no one else seems to set or enforce building regulations.

The Grenfell fire showed a lack of clarity and enforcement of building regulations. The MHCLG is the department, but there is no separate regulator. Much has changed with building regulations that date from 2010. Whilst creating regulations should be the business of MHCLG, BRAC should be changed from an adviser to an inspectorate.

The Industrial Injuries Advisory Council similarly simply commissions reports that the DWP could commission. Its annual report has no financial information, e.g. nothing about the costs of the reports commissioned or the staff commissioning them. It is unclear what DWP does with the information gathered.

The four national boundary commissions theoretically advise the Government, but in reality they recommend Westminster constituency boundaries directly to the House of Commons. For consistency there should be just one for the UK. There are also separate boundary commissions for local government but the Cabinet Office, correctly, lists just the English one. Boundaries should be set according to the number of constituencies Parliament decides. The UK has more than comparable countries but MPs seem oddly reluctant to vote for their reduction so the anomalies persist. The 2018 reports (650 seats down to 600) were cast aside by the current government with a new review in 2023 (back to 650), which probably will not be early enough for the next election. There seems little point in having these reviews if the results are routinely ignored.<sup>55</sup>

Since the commissions’ reports are rare and then ignored, it would add little to the workload of the Electoral Commission to take over their responsibilities, or maybe the four of them as devolution on this matter is unclear and surely unnecessary since the Electoral Commission reports to the Speaker’s Committee of the Westminster Parliament. Yet the Standards in Public Life Committee of the Commons is the one that reviews it, no less than 11 times since the Commission was founded in 2001.<sup>56</sup> The Australian boundary redistribution system makes an interesting comparison.<sup>57</sup>

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<sup>54</sup> <https://www.gov.uk/government/organisations/building-regulations-advisory-committee/about>

<sup>55</sup> <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2020-03-24/HCWS183/>

<sup>56</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/336902/11thReport\\_Summary.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/336902/11thReport_Summary.pdf)

<sup>57</sup> [https://www.aec.gov.au/About\\_AEC/research/files/research\\_paper4.pdf](https://www.aec.gov.au/About_AEC/research/files/research_paper4.pdf)

Most people believed that the UK's international aid was dispensed by DfID. DfID merged with the Foreign and Commonwealth Office in September 2020;<sup>58</sup> the figures in this paragraph are for 2018/19. They may be surprised to know that 18 other Whitehall departments are now chipping in too. "In recent years, the share of UK aid spent by departments other than the Department for International Development (DfID) [£11bn.] has grown rapidly, from 14% in 2014 to 27% in 2019, reaching more than £4 billion. UK aid is now spent by 18 departments and funds."<sup>59</sup> The advisory NDPB, The Independent Commission on Aid Impact, points out the ensuing complexity but is nothing like tough enough on the UK benefit from aid and the waste and corruption that goes with it. The Independent Commission on Aid Impact should hand the role over to the NAO.

The Independent Reconfiguration Panel (IRP) adjudicates when local authorities object to changes made by the NHS. The last "triennial" review was conducted by Dr Pangloss in 2015. Stage 1 was to decide whether the IRP was necessary. It began with the assertion: "Since 2010, Government policy has emphasised local autonomy and flexibility in how NHS organisations plan and deliver service change, subject to meeting legal requirements."<sup>60</sup> The NHS and local authorities need both to resolve local issues, such as who pays for the care of someone needing both care and treatment. Hiring a local professional mediator and splitting the cost would be much simpler than involving Whitehall.

The Home Office, which strangely seems to have no executive agencies, should have one to control the misuse of drugs based on the present advisory NDPB. The Animals in Science Committee and its ethics and welfare sub-group seem active, 17 of their last 27 recommendations were accepted – no mention of the other 10. The Home Office should make it an executive agency. The Migration Advisory Committee employs 20 full-time staff and total costs are about £1 million p.a. excluding commissioned external research. This should also become an executive agency.

<sup>58</sup> <https://www.gov.uk/government/news/prime-minister-announces-merger-of-department-for-international-development-and-foreign-office>

<sup>59</sup> <https://icai.independent.gov.uk/wp-content/uploads/Annual-Report-2019-20.pdf> <https://www.gov.uk/government/publications/statistics-on-international-development-provisional-uk-aid-spend-2019/statistics-on-international-development-provisional-uk-aid-spend-2019>

<sup>60</sup> <file:///C:/Users/Tim%20Ambler/Downloads/IRP%20Review%20Report.pdf>

**TABLE 5: RE-CLASSIFICATION OF ADVISORY NON-DEPARTMENTAL PUBLIC BODIES**

ALB CATEGORY	#
Executive Agencies	6
Money Channels	1
Merge into Depts./other ALBs	8
Public Corporations	4
Regulators and Ombudsmen	3
Judiciary	11
Privatise	1
Abolished	38
<b>Total</b>	<b>72</b>

Note that no advisory non-departmental public bodies are recommended to remain as such, although there would be secretariat staff and other savings, none has been taken.

## PUBLIC CORPORATIONS

Public corporations exist to serve, not to govern, the public. Most of them also take care of national assets. Some of them have been privatised, such as telecommunications, and others should be, such as the DVLA. Some raise all or part of their own income; the balance is funded by the taxpayer but funding (by the customers) is not the same as ownership (by the shareholders or their equivalent). This is complicated by the government, not being a legal entity, does not and cannot own any of them.

Seventeen museums and a dozen parks are included on the Cabinet Office listing implying they are part of government.<sup>61</sup> For example, according to the 2018/9 Natural History Museum annual report, it is an NDPB sponsored by the DCMS. Apart from three co-opted trustees, all the board members were appointed by the executive, indicating a lack of independence.

The Bank of England describes itself as a “public organisation, wholly-owned by Government [actually the Treasury Solicitor on behalf of HM Treasury<sup>62</sup>], and with a significant public policy role, the Bank is accountable to Parliament. The Bank’s Annual Report and Accounts are laid before Parliament each year before they are made public. The principal means of accountability for the Bank is via

<sup>61</sup> <https://www.gov.uk/government/organisations>

<sup>62</sup> <https://www.bankofengland.co.uk/knowledgebank/who-owns-the-bank-of-england#:~:text=We%20are%20wholly%20Downed%20by,on%20behalf%20of%20HM%20Treasury.>

the House of Commons Treasury Committee.”<sup>63</sup> In other words, it looks like the public corporation as envisaged here.

The BBC is a publicly owned statutory corporation with a Royal charter and accountable to the Secretary of State but under licence from the Home Secretary. It is re-incorporated (like Doctor Who) with every new charter, currently running from 2017 to 2024. It states (3.1): “The BBC must be independent in all matters concerning the fulfilment of its Mission and the promotion of the Public Purposes, particularly as regards editorial and creative decisions, the times and manner in which its output and services are supplied, and in the management of its affairs.” Its mission: “is to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain.”

One question remains open. In all, there are about 86 public corporations, arm’s length bodies, which are not governing us, and not regulators, ombudsmen or part of the judiciary.<sup>64</sup> They are owned by, and part of, the state but operationally independent of the executive of the government which is itself only one branch of the state. Many of these bodies are museums, libraries, property and parks which pretty much take care of themselves apart from finance and the appointment of directors. Of these public corporations, 30, mostly museums and parks, could be devolved to local government. If the others are not part of the executive, to whom should they be accountable?

We need to remember that we, the people, are the state and the fulcrum of our democracy is Parliament, not the executive of the government of the day. The Queen only appoints the prime minister if he or she can form a government supported by the House of Commons. Some public bodies, such as the National Audit Office and the regulators, are answerable to Parliament, not the executive, and are no less democratic for that – probably more. Regulators and ombudsmen should be answerable to the relevant select committees, if they are not already, but they might not welcome being responsible for 86 public corporations.

That is the conundrum: the government needs to be streamlined in order to focus on governing, especially this one. So who will supervise the public corporations that are supposed to be independent and not part of government?

One possibility is to create a supervisory group within Parliament, replacing the supervision now provided by the executive. It would simply be the shareholders, requiring very little supervision beyond inspecting their annual reports. And most of these bodies’ annual reports already go to Parliament. However, the legislature is no more geared to safeguarding these public assets than the executive. The alternative is to have another branch of state, perhaps called the guardians, accountable to Parliament as is government, with each focused on its role.

<sup>63</sup> <https://web.archive.org/web/20090711104859/http://www.bankofengland.co.uk/about/parliament/index.htm>

<sup>64</sup> <https://www.gov.uk/government/organisations>



A key issue is the appointment of the leaders of the main public bodies. At present the government nominates their preferred candidates and the relevant select committees (usually) confirm the appointments after interviewing them. In other words, both the government and Parliament agree on key appointments. There would be no need for that to change. Interestingly, the long-serving Cabinet Secretary, Lord Butler, has reminded us that non-political appointments such as civil service permanent secretaries used to be appointed by executive after agreement with HM Opposition.<sup>65</sup> Cooperation in these matters has much to commend it.

UK Finance Investments (UKFI) emerged from the 2008 crash to hold the public's shares in the Royal Bank of Scotland Group and in UK Asset Resolution which has the residual equities in NRAM plc and Bradford & Bingley. It seems now to be merged into UK Government Investments (UKGI) which manages, or financially advises on, the investments in 14 businesses, some of which are themselves listed as public bodies by the Cabinet Office.<sup>66</sup> HM Treasury should distinguish the public corporation: direct responsibility for the assets which are not under the charge of other departments from the financial advisory role which does not require a separate public body.

Appendix D lists the 12 existing public corporations as well as 74 other bodies, mostly leisure facilities, which should be reclassified as public corporations, charities or other bodies accountable to the guardians.

## TRIBUNALS AND OTHER PUBLIC BODIES

The Cabinet Office lists 10 ALBs as tribunals. Two are ombudsmen and therefore really regulators though it is unclear. One does not appear anywhere else and is part of police force management, and redundant if not already defunct. The Valuation Tribunal is one of four such ALBs and could leave it to the others. The Traffic Commissioner could merge with the DVLA, leaving five actual tribunals which have more to do with justice than government and should therefore be seen as part of the judiciary. This leaves five tribunals.

The Cabinet Office lists over 100 ALBs, shown as “other”, which do not fit into any of its categories, thus adding weight to the critiques above. The Cabinet Office has no coherent taxonomy of ALBs.

There are a few bodies, such as the QEII Centre in Westminster, the Arbitration and Conciliation Service and the DVLA that should be privatised – see Appendix D. The two infrastructure bodies (an executive agency and an “other”) fall into this category. The Authority's “responsibilities include supporting and de-risking the most complex and high risk projects, devolving the skills and capability of the people who deliver projects and overseeing the project life-cycle from policy, ini-

<sup>65</sup> <https://www.thetimes.co.uk/edition/comment/times-letters-governments-relations-with-the-civil-service-6pvs6ktmh> 2nd September 2020

<sup>66</sup> <https://www.ukgi.org.uk/what-we-do/our-partner-bodies/>

tiation and financing independent assurance.” In other words they are the leading advisers to whomever is in charge of the country’s largest such projects. Judging by HS2 and Crossrail, they do not do much of a job. The many specialist consultants in this area form a competitive market which the Government would be better advised to employ. The two ALBs should be privatised in the sense that, if they are as good as they claim, they will be able to compete in the market or if they are not, we would be better served by others. The same applies to BPDTS Ltd which supplies IT services to the DWP.<sup>67</sup>

The performance of the Financial Reporting Council has been much criticised. It is essentially a regulator and it is a *quis custodiet ipsos custodes* problem. It reports, in theory, to the BEIS but its functions are close to, if not overlap, ALBs reporting to HM Treasury which takes any fines levied by the FRC.<sup>68</sup> It should be properly supervised by the relevant Select Committee of the House of Commons.

The Office of Manpower Economics provides the administration for eight pay review bodies, covering 45% of public sector employment and a wage bill of £100 billion.<sup>69</sup> If one takes the view that the public sector, like any other employer, should simply pay what they need to pay to get the job done, there would be no need for these bodies.

In 2014 the Triennial Review of the Advisory Group on Military Medicine concluded that it should no longer be an ALB but should be an ad hoc working group when required.<sup>70</sup> Nothing published since. Odd that it is still listed.

Independent Monitoring Boards (IMBs) compile annual reports by unpaid visitors to prisons and Immigration Removal Centres. IMB members also monitor Short Term Holding Facilities at ports and airports and charter flights returning expulsions to their countries of origin.<sup>71</sup> Whilst not regulating these premises, the process is akin to school visits by Ofsted inspectors and accordingly it is re-classified here as a regulator.

The Child Safeguarding Practice Review Panel considers and draws lessons from the 500 or so annual reviews of serious child safeguarding incidents. We don’t know if anyone reads the Panel’s reports nor whether any changes result. There are also annual and triennial reviews to which the same criticism applies and the Children’s Commissioner. The essential problem with the state’s involvement is that local authorities do not measure outcomes but how care workers use their time and far too much of that is spent by care workers behind their desks and not with families at risk. The problem needs action on the ground not endless reviews. The panel should be abolished.

<sup>67</sup> <https://www.gov.uk/government/organisations/bpdts-ltd>

<sup>68</sup> <https://www.frc.org.uk/about-the-frc/reports,-plans-and-budgets>

<sup>69</sup> <https://www.gov.uk/government/organisations/office-of-manpower-economics>

<sup>70</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/283321/20131120-AGoMM\\_Triennial\\_Review\\_final-U.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/283321/20131120-AGoMM_Triennial_Review_final-U.pdf)

<sup>71</sup> <https://www.imb.org.uk/>

The Government Office for Science provides the wittily termed SAGE Committee which has featured strongly during the Covid-19 pandemic.<sup>72</sup> The associated Council for Science and Technology commissions research papers on topics of interest to government at the rate of two per year since 1993.<sup>73</sup> That does not justify a quango; BEIS can commission reports when required. Furthermore most departments have scientific advisors and can quickly assemble a relevant committee when needed. These organisations should be abolished.

The Office for National Statistics reports to the UK Statistics Authority, a non-ministerial department.<sup>74</sup> Also part of that is the Office for Statistics Regulation, overlooked by the Cabinet Office listing. The two are really one and the same and should be merged as a public corporation reporting to Parliament via the guardians. The fourth element of the statistical jigsaw is the Government Statistical Service “a cross-government network led by the National Statistician”.<sup>75</sup> This is not a separate body, but a community of civil servants across all departments.

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**72** <https://www.gov.uk/government/organisations/government-office-for-science>

**73** <https://www.gov.uk/government/news/how-the-council-for-science-and-technology-makes-a-difference>

**74** <https://www.statisticsauthority.gov.uk/>

**75** <https://gss.civilservice.gov.uk/about-us/>

**TABLE 6: RE-CLASSIFICATION OF TRIBUNALS AND OTHER PUBLIC BODIES**

ALB CATEGORY	#
Civil Service Dept.	1
Executive Agencies	19
Money Channels	1
Merge into Depts./other ALBs	11
Public Corporations etc under guardians	28
Judiciary	5
Regulators and Ombudsmen	27
Privatise	3
Abolished	19
<b>Total</b>	<b>124</b>

### COMMISSIONERS, REGULATORS AND OMBUDSMEN

Commissioners, regulators and ombudsmen were all re-categorised above as regulators but that requires further analysis. They are all quangos in the sense that they are supposed to be simultaneously part of, and not part of, government. The Cabinet Office lists four Commissioners’ offices (Children, Information, Small Business and Immigration) as executive NDPBs and one as a tribunal (see above). They missed the Investigatory Powers Commissioner and there may be others. The mission of the Children’s Commissioner crystallises the problem: “3.1.2 Independent from Government and answerable to Parliament,”<sup>76</sup> it will use its powers to improve children’s lives. The problem is that, being independent of the executive, her only powers are to gather data and make recommendations, not in fact to govern.

The Childrens’ Commissioner, is a flagship role pretty much demanded by the United Nations, but to have any effect it needs to be within the capacious DfE which has a minister responsible for the same topic.

Critics argue that these activists do no more than the myriad NGOs speaking for these causes. Supporters, however, argue that the causes need spokespeople within the gates of Whitehall. Ironically that means that independence is the last thing they need. If they have any value at all, each should be within the relevant department but with a separate voice. Monarchs were glad to have court jesters in medieval times to speak truth unto power. This paper proposes they be merged into their departments.

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<sup>76</sup> <https://www.childrenscommissioner.gov.uk/wp-content/uploads/2019/07/cco-annual-report-and-accounts-2018-19.pdf>

In 2017, the NAO counted 90 UK regulators, then costing us £4 billion p.a.<sup>77</sup> According to the NAO, “Government’s target [is £10 billion] for the reduction in regulatory costs to business over the period 2015–2020, from an estimated total of around £100 billion each year.” Add the barriers to entry created by the regulators and UK competitiveness is seriously undermined.

All competitive markets need laws and regulation but they do not need regulators.<sup>78</sup> Consumers are protected by competition, legislation, ombudsmen, the media and specialist reviewers such as the Consumers Association. Though the roots are earlier, regulators are a relatively new phenomenon given life by Margaret Thatcher’s privatisation of phone communications (Ofel) in 1984.<sup>79</sup> Regulators were seen to be needed to transition state monopolies into competitive markets. When competition was achieved, regulators were supposed to emulate Cheshire cats. Instead, they created all kinds of things to enforce and, like any organisation spending other people’s money, expand their payrolls.

No one seems to be ensuring the regulators do what they were supposed to do. Instead they are loading their sectors with wasteful compliance and bureaucracy. The Cabinet Office lists Ofgem, Ofqual, Ofsted and Ofwat as non-ministerial departments whereas Ofcom and the Financial Reporting Council are “other” bodies.<sup>80</sup> The boards of all regulators except the wholly trade and professional ones, such as the General Medical Council, are appointed by ministers. They should not be; select committees should do that.

Ombudsmen are similarly supposed to be independent of both government and the sectors they mediate. The above Cabinet Office listing includes seven, two as tribunals, one as an executive non-departmental public body and four as “other” government bodies. According to the Ombudsman Association, there are more than 20.<sup>81</sup> Where a sector has both, financial services for example, their roles overlap. In that case, the Financial Ombudsman reports to the Financial Conduct Authority (FCA). There are two key differences: regulators are funded by levies on the businesses in the sector and/or the taxpayer whereas ombudsmen are funded by the fees charged to the companies about whom complaints are being made, assuming the complaints have enough prima facie justification to merit investigation. That puts pressure on businesses to resolve their own complaints and does not cost the taxpayer a penny. The other difference is that a competitive market needs an ombudsman whereas it should not need a regulator.

The most expensive, albeit to the sector rather than directly to the taxpayer, and the most unnecessary, regulator is the FCA, né 2013,<sup>82</sup> which cost £589 million in

<sup>77</sup> <https://www.nao.org.uk/wp-content/uploads/2017/09/A-Short-Guide-to-Regulation.pdf>

<sup>78</sup> <https://www.adamsmith.org/blog/ombudsmen-yes-regulators-no>

<sup>79</sup> [https://www.oxera.com/wp-content/uploads/2018/03/The-Thatcher-privatisation-legacy\\_1.pdf](https://www.oxera.com/wp-content/uploads/2018/03/The-Thatcher-privatisation-legacy_1.pdf)

<sup>80</sup> <https://www.gov.uk/government/organisations>

<sup>81</sup> <https://www.ombudsmanassociation.org/index.php>

<sup>82</sup> <https://www.adamsmith.org/blog/fca-in-wonderland>

2018/19.<sup>83</sup> It prides itself on resolving PPI complaints but the Financial Ombudsman dealt with most of those. The body cost another £270 million for the year.<sup>84</sup> The FCA had 3,951 staff members, 35% being supervisory, yet most of the major work was contracted out to consultants. Financial advisors do not need rule-setting by the FCA, but should have their own private sector professional body akin to accountants and actuaries.

With the benefit of hindsight, it was always unrealistic to expect regulators to plan for, and commit, *hara-kiri*. A better solution would be to convert all regulators to ombudsman or merge the former into the latter where both exist, as in finance, for the same sector. They should be funded by, and report at least annually to, Parliament – presumably the relevant select committees of the House of Commons. There are 47 select committees of which 17 would be relevant to this purpose.<sup>85</sup> The precedent is the NAO which reports to the Public Accounts Commission which in practice means the Public Accounts Committee.<sup>86</sup> As the piper tends to call the tune, it is important that funding and reporting follow the same path.

In some sectors, being part of an ombudsman scheme is voluntary. Where such a scheme exists, it should be compulsory. The new or merged bodies should then report progress toward competitive markets in their sectors and future strategy to the relevant Select Committee which would arrange funding and appoint board members. The overall supervision of markets and ensuring fair competition lies with the CMA and that should continue.

Four ALBs monitor professionals: their regulatory functions, as for accountants or doctors, should be left with the professions. More generally the ombudsman service, with or without regulator subsidiaries, should be outsourced to the private sector where it is practical to do so. It is arguable that ombudsmen should be classified as part of the judiciary as their function is to judge disputes but doing so would not substantially alter this paper. No additional ombudsmen or regulators are proposed and the business of regulation would not be affected. That is conducted by ministerial departments, normally using statutory instruments, not by regulators.

Finally, no changes are proposed for the ten inspectors that should preferably report to select committees for the reasons above but could alternatively be executive agencies.

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**83** <https://www.fca.org.uk/publication/annual-reports/annual-report-2018-19.pdf>

**84** <https://www.financial-ombudsman.org.uk/files/238106/Annual-report-and-accounts-for-the-year-ended-31-March-2019.pdf>

**85** <https://www.parliament.uk/templates/Committees/pages/CommitteeAZIndex.aspx?id=25649&epslanguage=en>

**86** [http://www.National Audit Act 1983 \(c. 44\) .](http://www.National Audit Act 1983 (c. 44) .)

**TABLE 7: FURTHER RE-CLASSIFICATION OF REGULATORS**

ALB CATEGORIES	#
Commissioners	4
Ombudsmen	20
Inspectorates	10
Merge into departments or other bodies	8
Privatise	4
Abolished	1
<b>Total</b>	<b>47</b>

## CONCLUSION

As Parliament and the NAO have pointed out, quangos involve waste and confusion, not least over their independence from government. This paper recommends the bodies in Table 1 be classified as they are, eliminated or reclassified as in Table 8:

**TABLE 8: RECLASSIFICATION OF WHITEHALL PUBLIC BODIES AND SAVINGS**

NUMBER BY CATEGORY	ORIGINAL	PROPOSED	APP	STAFF SAVED	£M SAVED
Ministerial departments	4	5	-	-	-
Non-ministerial departments	16	-	-	-	-
Executive agencies	52	68	A	2,792	252
Exec non-departmental public bodies	109	-	-	-	-
Advisory non-departmental public bodies	72	-	-	-	-
Money channels	-	12	B	6,897	467
Ombudsmen and inspectorates	-	29!	C	-	-
Public corporations	12	86	D	-	-
Judiciary: tribunals etc	10	34	E	-	-
Other	114	-	-	-	-
Privatise	-	12	F	6,335	132
Merged into other ALBs	-	50	G	-	-
Abolished	-	92	H	17,861	2,398
<b>Totals</b>	<b>389</b>	<b>389</b>		<b>33,885</b>	<b>3,249</b>

The total number of ALBs in Table 8 is three larger than Table 1 because the armed forces omitted by the Cabinet Office have been added as executive agencies.

Public corporations form an appendix to show what the guardians branch of state would monitor. Select committees may welcome the additional window into the

departments they supervise. but whether they would welcome 21 ombudsman is an open question. Their number should probably be halved, (i.e. one per select committee), but that is beyond the scope of this paper.

The streamlining set out in this paper divides the present government bodies according to the taxonomy set out as Table 9. Government, i.e. the executive branch of the state, sets policy, taxation and expenditure. It implements these mostly through its executive agencies. Funding private sector bodies, such as the Arts Council does now, would be conducted by ad hoc annual committees administered by the relevant departments. This leaves a considerable number of bodies which are not in any sense governing us, and are supposed to be independent of government, but are publicly owned and need custodianship, the Bank of England for example. A conceptually new, fourth, branch of the state, the guardians, would take care of these public bodies, answering to Parliament for so doing.

**TABLE 9: PUBLIC BODIES TAXONOMY**

<b>BRANCH OF STATE</b>	<b>BODIES</b>	<b>#</b>
<b>Parliament</b>	NAO, Ombudsmen and Inspectorates	30
<b>Government/ executive</b>	Ministerial Departments	24
	Executive Agencies	69
<b>Judiciary</b>	Tribunals, courts etc	34
<b>Guardians</b>	Public Corporations	86
<b>Abolished</b>		1
<b>Total</b>		7

In conclusion, the objective of this paper was to show how government should be streamlined and thereby improved. As shown in Table 8 above, staff and cost savings would be considerable but they are not its purpose. No savings have been assumed from mergers though some should arise.



TABLE 10: 68 PROPOSED EXECUTIVE AGENCIES

DEPT	ALB	ORIGINAL
<b>Att Gen Off</b>	Service Prosecuting Authority	Other
<b>BEIS</b>	Certification Officer	Other
	Export Guarantees Advisory Council	Other
	Nuclear Decommissioning Authority	Exec NDPB
	Radioactive Waste Management	Exec Agency
	Sellafield Ltd	Exec Agency
	The Insolvency Service	Exec Agency
<b>Cab Off</b>	Civil Service Commission	Exec NDPB
	Commissioner for Public Appointments	Other
	Crown Commercial Service	Exec Agency
	Equality and Human Rights Commission	Exec NDPB
	Government Property Agency	Exec Agency
	Scientific Advisory Group for Emergencies	Exec Agency
<b>DCMS</b>	Birmingham Organising Committee for the 2022 Commonwealth Games Ltd	Exec NDPB
	English Institute of Sport	Exec Agency
	Gambling Commission	Exec NDPB
	National Citizen Service	Other
	The Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest	Adv NDPB
	Treasure Valuation Committee	Adv NDPB
	UK Anti-Doping	Exec NDPB
	VisitEngland	Exec NDPB
<b>DHSC</b>	Medicines and Healthcare products Regulatory Agency	Exec Agency
	National Institute for Health and Care Excellence	Exec NDPB
	Porton Biopharma Limited	Exec Agency
<b>DWP</b>	Health and Safety Executive	Exec NDPB
	Single Financial Guidance Body	Exec NDPB
<b>Env Food &amp; RA</b>	Animal and Plant Health Agency	Exec Agency
	Centre for Environment, Fisheries and Aquaculture Science	Exec Agency
	Environment Agency	Exec NDPB
	Marine Management Organisation	Exec NDPB
	Natural England	Exec NDPB
	Veterinary Medicines Directorate	Exec Agency
<b>FCO</b>	British Council	Exec NDPB

	Government Communications Headquarters	Other
	Secret Intelligence Service	Other
<b>HMT</b>	Government Internal Audit Agency	Exec Agency
	Office for Budget Responsibility	Exec NDPB
	Office of Tax Simplification	Exec Agency
	The Adjudicator's Office	Other
	UK Asset Resolution Limited	Other
	UK Debt Management Office	Exec Agency
	Valuation Office Agency	Exec Agency
<b>Home Office</b>	Advisory Council on the Misuse of Drugs	Adv NDPB
	Animals in Science Committee	Adv NDPB
	Disclosure and Barring Service	Exec NDPB
	Fire Service College	Exec Agency
	Independent Anti-slavery Commissioner	Other
	Migration Advisory Committee	Adv NDPB
	National Counter Terrorism Security Office	Other
	The Security Service	Other
<b>Justice</b>	Legal Aid Agency	Exec Agency
	Office of the Public Guardian	Exec Agency
	Official Solicitor and Public Trustee	Other
<b>MoD</b>	Army	Exec Agency
	Defence Electronics and Components Agency	Exec Agency
	RAF	Exec Agency
	Reserve Forces' and Cadets' Associations	Other
<b>MoD</b>	Royal Navy	Exec Agency
	The Oil and Pipelines Agency	Other
<b>Non-Min Dept</b>	Competition and Markets Authority	Non-Min Dept
	Crown Prosecution Service	Non-Min Dept
	Forestry Commission	Non-Min Dept
	The Charity Commission	Non-Min Dept
<b>Transport</b>	Air Accidents Investigation Branch	Other
	Highways England	Other
	Marine Accident Investigation Branch	Other
	Maritime and Coastguard Agency	Exec Agency
	Rail Accident Investigation Branch	Other

**TABLE 11: PROPOSED MONEY CHANNELS**

<b>DEPT</b>	<b>ALB</b>	<b>ORIGINALLY</b>	<b>EST STAFF SAVING</b>	<b>EST £M SAVING</b>
<b>BEIS</b>	Industrial Development Advisory Board	Adv NDPB	-	-
<b>BEIS</b>	UK Research and Innovation	Exec NDPB	8,000	887
<b>BEIS</b>	UK Space Agency	Exec Agency	175	13
<b>DCMS</b>	Arts Council England	Exec NDPB	513	32
<b>DCMS</b>	Churches Conservation Trust	Other	61	0.7
<b>DCMS</b>	National Heritage Memorial Fund	Exec NDPB	259	14
<b>DCMS</b>	Sport England	Exec NDPB	258	11
<b>DCMS</b>	The National Lottery Community Fund	Exec NDPB	831	69
<b>DfID</b>	Commonwealth Scholarship Commission in the UK	Exec NDPB	40	5
<b>Education</b>	Education and Skills Funding Agency	Exec Agency	1,852	155
<b>Education</b>	Office for Students	Exec NDPB	320	30
<b>Env Food &amp; RA</b>	Rural Payments Agency	Exec Agency	2,588	137
	Total		14,897	1,353.7

TABLE 12: 29 INSPECTORATES AND OMBUDSMEN

DEPT	ALB	ORIGINAL
	Inspectorates	
<b>Att Gen Off</b>	HM Crown Prosecution Service Inspectorate	Other
<b>BEIS</b>	Committee on Climate Change	Exec NDPB
<b>DHSC</b>	Care Quality Commission	Exec NDPB
<b>Home Office</b>	Forensic Science Regulator	Other
	Gangmasters and Labour Abuse Authority	Exec NDPB
	HM Inspectorate of Constabulary and Fire & Rescue Services	Other
	Independent Chief Inspector of Borders and Immigration	Other
<b>Justice</b>	HM Inspectorate of Prisons	Other
	HM Inspectorate of Probation	Other
<b>MHCLG</b>	Building Regulations Advisory Committee	Adv NDPB
<b>Ombudsmen</b>		
<b>BEIS</b>	Groceries Code Adjudicator	Other
	Oil and Gas Authority	Other
<b>DCMS</b>	Information Commissioner's Office	Exec NDPB
	Ofcom	Other
<b>DWP</b>	Independent Case Examiner	Other
	The Pensions Ombudsman	Tribunals
	The Pensions Regulator	Exec NDPB
<b>HMT</b>	Payment Systems Regulator	Other
<b>Justice</b>	Judicial Appointments and Conduct Ombudsman	Other
	Prisons and Probation Ombudsman	Other
	The Legal Ombudsman	Other
<b>MHCLG</b>	Housing Ombudsman	Exec NDPB
	Local Government and Social Care Ombudsman	Other
	Regulator of Social Housing	Exec NDPB
<b>MoD</b>	Service Complaints Ombudsman	Other
<b>Non-Min Dept</b>	Ofgem	NMD
	Ofqual	NMD
	Ofsted	NMD
	The Water Services Regulation Authority (Ofwat)	NMD

**TABLE 13: 86 PROPOSED PUBLIC CORPORATION**

<b>DEPT</b>	<b>ALB</b>	<b>ORIGINAL</b>
<b>BEIS</b>	British Business Bank	Other
	Coal Authority	Exec NDPB
	Companies House	Exec Agency
	Intellectual Property Office	Exec Agency
	Met Office	Exec Agency
	Office for Nuclear Regulation	Public corporations
	Ordnance Survey	Public corporations
	Regulatory Policy Committee	Adv NDPB
	UK Atomic Energy Authority	Exec NDPB
<b>Cab Off</b>	Committee on Standards in Public Life	Adv NDPB
	Government Estates Management	Other
	House of Lords Appointments Commission	Adv NDPB
	Senior Salaries Review Body	Adv NDPB
<b>DCMS</b>	BBC	Public corporations
	Board of Trustees of the Royal Botanic Gardens Kew	Exec NDPB
	British Film Institute	Exec NDPB
	British Library	Exec NDPB
	British Museum	Exec NDPB
	Channel 4	Public corporations
	Civil Aviation Authority	Public corporations
	Crossrail International	Public corporations
	Geffrye Museum	Exec NDPB
	Historic Royal Palaces	Public corporations
	Horniman Public Museum and Public Park Trust	Exec NDPB
	Imperial War Museum	Exec NDPB
	London and Continental Railways Limited	Public corporations
	National Gallery	Exec NDPB
	National Museums Liverpool	Exec NDPB
	National Portrait Gallery	Exec NDPB
	Natural History Museum	Exec NDPB
	Royal Armouries Museum	Exec NDPB
<b>DCMS</b>	Royal Museums Greenwich	Exec NDPB
	Science Museum Group	Exec NDPB
	Sir John Soane's Museum	Exec NDPB
	Tate	Exec NDPB
	Victoria and Albert Museum	Exec NDPB

	Wallace Collection	Exec NDPB
<b>DHSC</b>	NHS England	Exec NDPB
	Porton Biopharma Limited	Other
<b>DWP</b>	Disabled People's Employment Corporation (GB) Ltd	Exec NDPB
	National Employment Savings Trust (NEST) Corporation	Public corporations
	Remploy Pension Scheme Trustees Ltd	Other
<b>Education</b>	Student Loans Company	Exec NDPB
<b>Env Food &amp; RA</b>	Broads Authority	Other
	Dartmoor National Park Authority	Other
	Exmoor National Park Authority	Other
	Lake District National Park Authority	Other
	National Forest Company	Exec NDPB
	New Forest National Park Authority	Other
	North York Moors National Park Authority	Other
	Northumberland National Park Authority	Other
	Peak District National Park Authority	Other
	South Downs National Park Authority	Other
	Yorkshire Dales National Park Authority	Other
<b>FCO</b>	BBC World Service	Public corporations
	Chevening Scholarship Programme	Other
	Wilton Park	Exec Agency
<b>HMT</b>	Pension Protection Fund	Public corporations
	Royal Mint	Other
	The Crown Estate	Other
	UK Government Investments	Other
<b>Home Office</b>	College of Policing	Other
<b>Justice</b>	Her Majesty's Prison and Probation Service	Exec Agency
<b>MHCLG</b>	Architects Registration Board	Public corporations
<b>MHCLG</b>	UK Holocaust Memorial Foundation	Other
	Armed Forces Covenant Fund Trust	Exec NDPB
	Defence Academy of the United Kingdom	Other
	Defence Science and Technology Laboratory	Exec Agency
	Defence Sixth Form College	Other
	Fleet Air Arm Museum	Other
	National Army Museum	Exec NDPB
	National Museum of the Royal Navy	Exec NDPB
	Royal Air Force Museum	Exec NDPB
	Royal Marines Museum	Other
	Royal Navy Submarine Museum	Other
	UK Hydrographic Office	Exec Agency
<b>Non-Min Dept</b>	HM Land Registry	NMD

	NS&I	NMD
	The National Archives	NMD
	UK Statistics Authority	NMD
<b>Transport</b>	DfT OLR Holdings Limited	Other
	Directly Operated Railways Limited	Exec NDPB
	East West Railway Company Limited	Other
	High Speed Two (HS2) Limited	Exec NDPB
	Network Rail	Other
	Trinity House	Exec NDPB

**TABLE 14: 34 PROPOSED TRANSFERS TO THE JUDICIARY**

DEPT	ALB	ORIGINAL
<b>BEIS</b>	Central Arbitration Committee	Tribunals
	Competition Appeal Tribunal	Tribunals
	Competition Service	Exec NDPB
	Copyright Tribunal	Tribunals
<b>Cab Off</b>	Security Vetting Appeals Panel	Adv NDPB
	The Electoral Commission separate website	Exec Agency
<b>Education</b>	Independent Review Mechanism	Other
<b>Env Food &amp; RA</b>	Independent Agricultural Appeals Panel	Adv NDPB
	Plant Varieties and Seeds Tribunal	Tribunals
<b>Home Office</b>	Independent Reviewer of Terrorism Legislation	Other
	Investigatory Powers Commissioner's Office	Other
	Investigatory Powers Tribunal	Tribunals
	Office for Communications Data Authorisations	Other
	Surveillance Camera Commissioner	Other
	The Adjudicator's Office	Other
<b>Justice</b>	Advisory Committees on Justices of the Peace	Adv NDPB
	Cafcass	Exec NDPB
	Civil Procedure Rule Committee	Adv NDPB
	Criminal Cases Review Commission	Exec NDPB
	Criminal Injuries Compensation Authority	Exec Agency
	Criminal Procedure Rule Committee	Adv NDPB
	Family Justice Council	Adv NDPB
	HM Courts & Tribunals Service	Exec Agency
	Independent Advisory Panel on Deaths in Custody	Adv NDPB
	Independent Monitoring Boards	Other
	Insolvency Rules Committee	Adv NDPB
	Judicial Appointments Commission	Exec NDPB
	Law Commission	Adv NDPB
	Legal Services Board	Exec NDPB
	Parole Board	Exec NDPB
	Sentencing Council for England and Wales	Adv NDPB
Tribunal Procedure Committee	Adv NDPB	
Youth Justice Board for England and Wales	Exec NDPB	
<b>MHCLG</b>	Valuation Tribunal Service	Exec NDPB



**TABLE 15: 12 PROPOSED PRIVATISATIONS**

<b>DEPT</b>	<b>ALB</b>	<b>ORIGINAL</b>	<b>EST STAFF SAVING</b>	<b>EST £M SAVING</b>
<b>BEIS</b>	Advisory, Conciliation and Arbitration Service	Exec NDPB	177	50.6
<b>BEIS</b>	British Hallmarking Council	Exec NDPB	-	-
<b>BEIS</b>	Financial Reporting Council	Other	9	-
<b>DHSC</b>	Professional Standards Authority for Health and Social Care	Exec Agency	9	-
<b>DWP</b>	Digital Technological Services	Other	691	51.8
<b>Education</b>	Teaching Regulation Agency	Exec Agency	9	-
<b>Education and DHSC</b>	Social Work England	Exec NDPB	9	-
<b>Env Food &amp; RA</b>	Covent Garden Market Authority	Other	36	15.7
<b>HMT</b>	Infrastructure and Projects Authority	Other	9	1.8
<b>MHCLG</b>	Queen Elizabeth II Conference Centre	Exec Agency	50	12.5
<b>MoD</b>	Veterans Advisory and Pensions Committees	Adv NDPB	-	-
<b>Transport</b>	Driver and Vehicle Licensing Agency	Exec Agency	5,336	-
		Totals	6,335	132.4

TABLE 16: 50 CANDIDATES FOR MERGER

DEPT	ALB	ORIGINAL
<b>Dept</b>	ALB	Originally
<b>BEIS</b>	Land Registration Rule Committee	Adv NDPB
	Office of the Regulator of Community Interest Companies	Other
	Small Business Commissioner	Exec NDPB
<b>Cab Off</b>	Boundary Commission for England	Cab Off
	Government Equalities Office	Other
	Office of the Registrar of Consultant Lobbyists	Other
<b>DCMS</b>	Phone-paid Services Authority	Other
<b>DHSC</b>	British Pharmacopoeia Commission	Adv NDPB
<b>DHSC</b>	Commission on Human Medicines	Adv NDPB
<b>DHSC</b>	Health Education England	Exec NDPB
<b>DHSC</b>	Human Fertilisation and Embryology Authority	Exec NDPB
	Human Tissue Authority	Exec NDPB
	National Data Guardian	Other
	NHS Blood and Transplant	Exec NDPB
	NHS Business Services Authority	Exec NDPB
	NHS Counter Fraud Authority	Other
	NHS Digital	Exec NDPB
	NHS Improvement	Other
	NHS Pay Review Body	Adv NDPB
	NHS Resolution	Exec NDPB
<b>DWP</b>	Social Security Advisory Committee	Adv NDPB
	The Pension Protection Fund Ombudsman	Tribunals
<b>Education</b>	Office of the Children's Commissioner	Exec NDPB
	Office of the Schools Adjudicator	Other
<b>Env Food &amp; RA</b>	Drinking Water Inspectorate	Other
	Veterinary Products Committee	Adv NDPB
<b>FCO</b>	FCO Services	Other
<b>Home Office</b>	Biometrics Commissioner	Other
	Independent Family Returns Panel	Other
	Independent Office for Police Conduct	Exec NDPB
	Office of the Immigration Services Commissioner	Exec NDPB
	Security Industry Authority	Exec NDPB
	Technical Advisory Board	Adv NDPB
<b>Justice</b>	Civil Justice Council	Adv NDPB
	Family Procedure Rule Committee	Adv NDPB

	Judicial Office	Other
	Victims' Commissioner	Other
<b>MHCLG</b>	Ebbsfleet Development Corporation	Exec NDPB
	Homes England	Exec NDPB
	Leasehold Advisory Service	Exec NDPB
<b>MoD</b>	United Kingdom Reserve Forces Association	Other
<b>NMD</b>	Government Actuary's Department	Non-Min Dept
	Government Legal Department	Non-Min Dept
<b>Transport</b>	British Transport Police Authority	Exec NDPB
	Driver and Vehicle Standards Agency	Exec Agency
	Independent Commission on Civil Aviation Noise	Adv NDPB
	Northern Lighthouse Board	Exec NDPB
	Traffic Commissioners for Great Britain	Tribunals
	Vehicle Certification Agency	Exec Agency
<b>UK Statistics Authority</b>	Office for National Statistics	Other