

Quangos and independent government bodies

There is no such thing as truly independent government body. In a democracy Parliament and Ministers can always change the guidance, funding or law applying to any independent body. Governments are held to blame by Oppositions and the public when an independent body makes a big error. In a tyranny or single party state then of course all bodies are under the control of the tyrant.

In the last three decades in the UK there has been a fashion to pretend bodies can be truly independent, and a wish to transfer more and more decisions and budgets to independent bodies. I accept the case for independence when we are talking about quasi judicial roles or the technical implementation of complex matters under an approved guiding aim or policy that Parliament and people want. The UK system is good at stressing the limit of elected power when it comes to investigating, prosecuting and punishing people for breaking the law. There is a need for politicians to stay out of criminal law enforcement and out of individual cases where businesses or people have violated regulations set by Parliament and quangos.

The Post Office scandal shows the limits of belief in independence. The Post Office is 100% taxpayer or state owned. It is an independent body with its own Board, Chief Executive, Statutory duties and aims. The idea is to have experts running the service, with Parliament and Ministers largely confined to deciding any financial matters as shareholder owner and setting overall objectives or standards. Ministers however still have to report the results of the Post Office to Parliament, and be willing to answer when the independent Board and management of the Post Office gets itself into difficulty and public controversy. Opposition in Parliament is happier blaming Ministers and demanding answers from them than making CEOs and Board members more famous by naming them as responsible for errors.

Labour, Coalition and Conservative Ministers have all presided over the long period when Postmasters and Postmistresses were being falsely accused and prosecuted by the management and legal advisers of Post Office Ltd. They were all doubtless told that they should not intervene in these operational and legal matters and should leave it all to the independent Board and management. Now all accept that grievous errors were made the cry goes up that the Ministers should not have respected the independence but should have gone in and demanded a change of attitude and approach and if necessary changed the management.

What this tragedy reveals is the truth of the proposition that in a democracy where Ministers can with the backing of Parliament change the management, aims, budgets and legal frameworks of these bodies the state owns, Ministers do need to be sufficiently hands on to know if intervention is needed. I will write another blog about how I used as a Minister to monitor and influence quangos reporting to departments I served in in ways which respected

independence but where important matters were part of government policy and were properly reported to Parliament. Parliament needed to know how the body was doing , what government expected of it, and if change was needed.