

Time for a quango review

Now Public Health England and Ofqual have shown their capacity to make headlines and to raise the issue of how independent they are of Ministers, it is a good time to ask how many of these so called independent bodies do we need?

I have long argued there is no such thing as an independent public sector body. It is possible for one to appear to be independent and to act on its own for a long time if there is political agreement about its role and if it performs well or avoids the searchlight of media criticism. As soon as what it does becomes contentious or is done badly, Ministers are expected to sort it out and often held to blame for the original lapses by the organisation.

The best model is for Ministers to accept they will be held responsible for the work of these bodies, and for them to hold regular reviews of the policy, conduct and success of these organisations to satisfy themselves they can defend them if necessary. It is a good job to give to experienced Ministers of State on behalf of busy Cabinet Ministers. When I used to do this, I typically held a budget meeting once a year to go over their financial bids for the year ahead, a meeting to review the previous year's work and achievements at the time of the Annual report, and strategic or issue meetings if necessary.

The Minister cannot assume an independent body is putting in an acceptable bid for resources. He or she also needs to provide some check on the wish of many of these bodies to put up fees and charges on people using their services, especially where the use is involuntary because the person has to buy a permit or licence from them. The Minister may need to explain the public sensitivities and reaction to the quango to its senior personnel. If things start to go wrong the Minister needs to request better performance. In bad cases management would have to be changed.

All this is a lot of work. It also comes with additional cost, as the quango will want its own headquarters and other facilities, its own computer systems, own accounting system, audit and the rest. Much of this could be supplied more cheaply by doing the work within the Department using the common facilities of government. Its top management may be offered higher salaries and there will be more of them than if the function is run within the department. There needs in each case to be some offsetting benefits for these additional costs.

In some cases the Agency is able to attract specialist talent and a good CEO to offer higher quality service and more efficiency than the sponsor Department could do. In other cases it is just an added overhead, with more difficulty for the Minister to control the body and get the quality and volume of work out of it the public and government needs. Now would be a good time to review these bodies in each department, and come up with a 5 year plan to manage them out or ensure their success under correctly skilled and motivated management. Far too much activity is hived off in this way, leading

to crises for government , the Quango and the Minister concerned when something goes wrong as with Public Health England and Ofqual recently.