

Introduction to Lord Maude Review 2020

In the summer of 2020 I was asked by Ministers in the Cabinet Office to conduct a short review relating to the efficiency of government spending. The terms of reference were:

“Over the last ten years the Government has attempted to improve government through the introduction of the functional model and Cabinet Office spending controls. Recent events, in particular the Covid-19 pandemic and its impact on the economy, mean that the government must be far more ambitious in its approach to driving efficiencies and value for money.

“The purpose of this work is a) to assess the effectiveness of the functions, in particular those that drive efficiency and effectiveness; arrangements in the Cabinet Office to operate effective real-time spend controls; and progress in delivering key parts of the 2012 civil service reform plan; and b) make recommendations.”

I completed the review and submitted my report in the autumn. I have made a number of recommendations, and it is for Ministers to decide which should be adopted. I have concluded that there are very substantial further efficiency savings that can be made. It is worth noting that the key to success in delivering these savings lies in the detail of how any of my recommendations are implemented.

The cross-cutting functions considered in my review - principally commercial, IT and digital, property, major projects, finance, HR - have historically received scant attention either from Ministers or the leadership of the Civil Service. Yet it is through these functions that the bulk of taxpayers' money gets spent and on which citizens depend for the successful implementation of policies, projects and programmes for which they have voted. Even in the otherwise comprehensive Fulton Committee Report of 1968, these functions get only a passing mention. Tony Blair's government began a programme of reform, but in 2010 there remained much to be done, with the need for radical change lent urgency by the fiscal crisis the country faced.

The pandemic has dealt punishing blows to the public finances, both in the UK and elsewhere. It is even more important today that the government is organised to ensure that every pound is spent effectively and efficiently. This Report sets an agenda for the next stage of reform. I am encouraged that current Ministers and Civil Service leaders are showing a strong interest in taking it forward.

I am grateful to officials in the Cabinet Office for administrative support in the conduct of my review, and for many in the functions and more widely for giving their time in interviews and in responding to requests for information.

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