REFORM

# Reimagining Whitehall

Thursday 9 May 2024

London

@reformthinktank
#ReimaginingWhitehall

BT   PA

# Agenda

| 8.30 - 9.00 | **Registration and refreshments** |
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| 9.00 - 9.15 | **Welcome and introduction** |
| | Charlotte Pickles, Director, *Reform* |
| | Simon Godfrey, Senior Director, External Engagement and Business Growth, BT |
| 9.15 - 10.00 | **Keynote Speech** |
| | Rt Hon John Glen MP, Paymaster General and Minister for the Cabinet Office |
| 10.00 - 11.00 | **Panel one – An intelligent Whitehall: how AI can drive performance** |
| | This panel will discuss how AI and other leading technologies can make government smarter and more efficient, equipping Whitehall to better serve citizens. |
| In partnership with | Dr Laura Gilbert, Chief Analyst and Director, Data Science, 10 Downing Street |
| | Simon King, Director, AI and Innovation, Department for Work and Pensions |
| (BT) | Mike Potter, Government Chief Digital Officer, Central Digital and Data Office |
| | Dr Zoe Webster, Director, Data and AI, BT |
| 11.00 - 11.30 | **Break** |
| 11.30 - 12.30 | **Panel two – An entrepreneurial Whitehall: how government can embrace an innovation mindset** |
| | This panel will explore how Whitehall can adopt an innovation mindset to better meet public demand, boost productivity and improve outcomes. |
| In partnership with | Sapana Agrawal, Director, Modernisation and Reform, Cabinet Office |
| | Thalia Baldwin, Director, Strategy and Innovation, Ministry of Justice |
| PA | Frazer Bennett, Chief Innovation Officer, PA Consulting |
| | Sarah Munby, Permanent Secretary, Department for Science, Innovation and Technology |
| 12.30 - 12.35 | **Closing remarks** |
| 12.35 - 13.15 | **Lunch** |

# Our mission

Britain has endured a decade of disruption. With ongoing global tensions and deep uncertainty this era of crisis looks set to continue. Add to this the profound demographic and technological change already reshaping the nation, and it is clear that securing our future prosperity will require a fundamental rethink.

At Reform, we believe that Britain's prosperity is inextricably linked to the health of our public services and the effectiveness of the State. Yet the public service institutions and approaches we rely on are modified versions of those built as part of the post-war settlement. The challenges that faced 1940s Britain are not those of today. Continuing to tweak a broken system, hoping for radically different outcomes, won't work.

Instead, we want to see a public service model that reduces demand rather than simply manages it. We want to see a settlement that recognises that the welfare of the people cannot – and should not – be delivered by the State alone. And we want to see a State that acts in the long-term interests of the nation, and that is agile and fiscally sustainable.

We firmly believe that is possible to have excellent public services within sound public finances, but that achieving it requires bold new thinking.

Today's conference is focused on one of the key enablers of that vision: a reimagined Whitehall. Whitehall, as the nucleus of government, is integral to how well the State operates: it is where priorities and budgets are set, policies are shaped and millions of decisions are made that directly impact public service delivery. It is therefore essential that the central government machine is resilient, agile and high performing. We are excited to hear your ideas on how to achieve this.

Thank you for joining us.

Charlotte Pickles
Director
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# Our team

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# Transformational government: Whitehall needs to reform to meet the challenges of tomorrow

Joe Hill,
Director, Policy, *Reform*
@jo3hill

When we imagine possible futures, we borrow heavily from past memories. Reimagining Whitehall is no different – and the civil service has a wealth of institutional memory to draw on when facing the future. The challenges Whitehall faces today are a far cry from the ones it faced when I joined the civil service in 2015, let alone when the modern civil service was conceived in the Northcote-Trevelyan report in 1834. Back then, the authors recognised that to administer a state in a fast-changing world, the country needed a new cadre of professional servants – hired on merit, not by patronage. Ideas which were far ahead of their time, challenged the status quo, and left a legacy which still stands today.

Britain today demands far more from the permanent civil service than it did back then, a challenge we must rise to as previous generations of public service reformers have. Years of stagnation, followed by a decade of crises, has laid bare the crumbling foundations of the State. Without change, the future will hold more of the same, because the flaws underlying the modern state are structural.

The State's response to Brexit, the Covid-19 pandemic, and the combination of record inflation and stagnating growth have built a consensus for reform. The security of Europe and our allies is threatened in Ukraine, the Middle East, and the Pacific – but our response still relies on structures and ideas from the last century. And accelerating technological innovation, particularly Artificial Intelligence, provide an opportunity to rebuild the post-war foundations of the modern State in a way which is fit for the future.

Change is coming, but it is unevenly distributed, and happening far faster in some areas than in others. Whitehall has become more of an idea than a place, with more and more civil servants working on policy from offices across the country. The Government has set out plans for a "smaller, more skilled, better rewarded" civil service, aiming to return to the levels of public service productivity which predated the pandemic. And DSIT, ARIA, the AI Safety Institute, the Incubator for AI and 10DS are all adopting new models of the state working at the cutting edge of emerging technologies.

The Opposition's vision for government, aligned around five missions, would require radical innovation in how Whitehall operates. But the challenges of cross-departmental working, focusing on outcomes, and delivering complex projects are long-standing, and *Reform's* paper from earlier this year, *Mission control*, outlines the detail of how this approach could work. And Whitehall needs a workforce capable of delivering on ambitious policies – *Making the grade*, our paper on the extremes of high and low performance in the Whitehall civil service, makes the case for a radical shift in our expectations of public servants.

Today's conference on Whitehall reform is set against the backdrop of an election year. As the focus shifts to what each party's policy announcements are, we cannot neglect the planning for how Whitehall could deliver them.

# If we could reimagine Whitehall, what would we see?

Rt Hon John Glen MP,
Paymaster General and
Minister for the Cabinet Office

I'm not talking about the street – surely one of the finest in Central London – but Whitehall the synecdoche, Whitehall the concept of national Government, Whitehall the civil servants, the Ministers, the responsibility of public office.

First off, we really do need to get out of the 'Government as solely Whitehall' mindset and make it a thing of the past. Our central government will always have a presence in our capital city, but it has connections that extend far further than the 600 metres of tarmac and monuments in SW1. For example, 4 in 5 civil servants don't even work in London.

I have been fortunate enough to see our Civil Service hubs spread across the country firsthand: great cities like Glasgow, Manchester, and Belfast to name just a few. Our Places for Growth Programme has delivered remarkable success in harnessing the very best talent from across the country, and it's a success we must build on.

Second, we could all get something from reimagining how we support our civil servants. I am clear that it is the people – not the Departmental structures – which make the biggest difference in Government. That's why I have been focused on improving every part of our civil servants' experience in Government, especially focusing on how they

begin their role in a new Department. We all remember our first job and I believe we have to give every new civil servant the best start possible.

We also need to reimagine how we can retain and attract only the very best, and ensure that poor performance is dealt with firmly. I look forward to mentioning more on this in my speech.

Finally, we must do everything we can to empower our civil servants to deliver better services for the public. For too long, the Civil Service has done some things in ineffectual, bureaucratic ways because that's the way they have always been done. But I say no: we need to know what works, what doesn't, build on what's great and change what's broken.

I have been really impressed with the work of the Evaluation Taskforce, which has been trialling new programmes that have thorough evaluations of their effectiveness at their heart. But there is plenty of room for further advances, which is why I'm so pleased that today's event has two discussions on AI and wider innovations in the public sector.

When we are reimagining Whitehall, for many it would be tempting to think 'clean slate'. For me, it's about supporting the great work within and around Whitehall, learning from our previous successes to address our future challenges. Whatever Whitehall we imagine, we have a solid foundation to build upon.

# An intelligent Whitehall: how AI can drive performance

## Using AI to create a more human DWP

Simon King,
Director, AI and Innovation,
Department for Work and Pensions

A few months ago, I became the Director of AI and Innovation, charged with helping the Department for Work and Pensions (DWP) to bring together the huge scale of our data and digital systems and our extraordinary people, serving the public day-in and day-out, to improve our services using artificial intelligence.

If we get this right, AI will allow us to create a more human service that cares better for the vulnerable, provides colleagues with more rewarding jobs and takes the pressure off public finances so money can be spent where it matters most. I do not downplay the challenges in achieving this. Issues around privacy, bias, or the impact on how we work are really important, and we need to design with the whole of the service in mind, baking-in safeguards, transparency and intelligibility.

I want to point to a few things that we've learned - although please note that we are still learning and need to continue to collaborate and learn from each other!

- **No new problems.** Technology opens up opportunities to do more. We need to be aware of this and be mindful of our objectives when solving problems. We must demonstrate how AI can be an answer to problems that our colleagues on the front lines already experience. It is essential in my view that we are able to demonstrate what can be achieved today, and involve broad groups of colleagues from across the organisation when creating solutions.

- **Focus on root causes of the biggest problems.** The range of potential interventions that AI affords, coupled with its high profile, means that there is a very real danger of expending finite resources on lower impact solutions. Through process or task mining we can get closer to understanding where we can prevent problems rather than dealing with their consequences more efficiently. A great example of this is accuracy. If we can give our colleagues tools that assist in getting to the right answer first time, we can forestall the expensive and time-consuming consequences of errors.

- **Sharing and openness.** If Government is to accelerate the uptake of AI and realise the value it can bring, we need to learn from each other and be able to build on that work. Working in the open is a central part of our approach, including outside of Government. Transparency is the best solution for addressing legitimate concerns about putting smart technology to work on people's data. While it is not always easy, we need to build a wider compact across civil society on the safe boundaries for using these advanced tools.

# Learning lessons from the private sector

Dr Zoe Webster,
Director, Data and AI, BT

There are important lessons Whitehall can draw from the development and application of AI at scale in large, multi-national enterprises. Not least, for example, how we can use AI to improve the lives of citizens in a way that is cost-effective, responsible and sustainable.

In customer service, AI can automatically detect or even pre-empt issues, such as device anomalies or faults, with remedy being provided in a zero-touch manner without the customer even being aware of it being required. In future, networks and systems will self-diagnose and self-heal in real-time. In the immediate term, the advanced natural language capabilities powered by LLMs can be used to ensure service engineers or call centre agents have the information they need to respond more quickly to service opportunities as they arise. This technology could be applied in managing systems, processes, and cyber security in the Whitehall context.

In sales, we can offer more personalisation – in terms of the type of products and services we offer but also how these are presented to the customer who may have particular preferences or needs – whether that customer is a consumer or a person with a specific role within a large, complex organisation. In the Whitehall context, generative AI could be used to present information to citizens in a way that is more personalised and inclusive to those with specific disabilities.

In internal operations, we want to be as productive as possible whilst maximising job satisfaction. At BT Group, we deployed a Generative AI coding companion that automated around 12 per cent of the tedious and time-consuming work done by our software engineers in the first four months. By automating some routine tasks, Government employees can also prioritise their human capacities to generate, process and share information more quickly in a way that serves the public as they would wish. Fact checking outputs will be critical as will tailoring the outputs with the right voice, tone and sensibilities, but significant opportunities lie ahead.

To develop and adopt AI safely, we underpin all this with a robust AI governance framework which mirrors the focus the UK Government has put into principles, standards, and assurance tools, alongside AI guidance for the UK public sector. Ultimately, high-performance will depend on trust which will come from transparency and strong, assured AI governance across the whole supply chain.
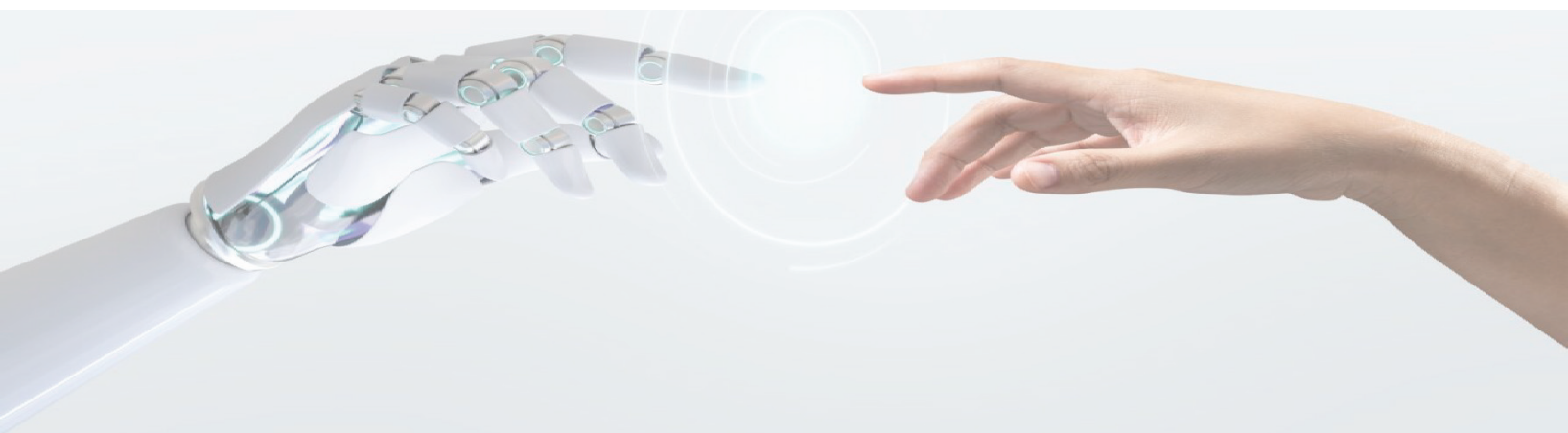
# An entrepreneurial Whitehall: how government can embrace an innovation mindset

## Harnessing innovation for continuous improvement?

Sapana Agrawal,
Director, Modernisation and
Reform, Cabinet Office

The Civil Service often gets a lot of flak for not being innovative. I disagree. When I first entered the Civil Service during the pandemic I was struck by the sheer amount of innovation, of all kinds, happening right across government. We produced world-leading products and schemes such as the vaccines taskforce, ventilator challenge and furlough at incredible pace.

Innovation means doing something new and different that creates value for the public and I see teams coming up with brilliant new ideas every single day, driven by a relentless desire for public service. But, whilst we are great at ideation, systemic barriers – such  as **lack of time, space and money – block** our ability to deliver and scale up good ideas. This is often driven by lack of visibility of strong use cases across government and tackling challenges in a siloed way.

We need to support civil servants with the appropriate pathways to not only take an idea from inception to implementation, but also to spot the scalable potential and minimise duplication.

We are building **capability** through our flagship 'Innovation Masterclass' and are committed to **incentivising** innovative behaviour by celebrating and rewarding experimental approaches - there is no shortage of inspiring stories to share!

And of course, we are committed to building a **culture of permission and support** from senior leadership where civil service leaders encourage curiosity and empower teams to take calculated risks and be accepting of failure.

This work underpins the Innovation Mission, which seeks to drive a culture of innovation at all levels within the Civil Service. This is a key part of our programme to build a modern civil service, and ensure we are delivering the best possible service to meet the needs of the public.

This year, we have a unique opportunity to foster that culture through 'One Big Thing: It Starts with One Small Change', a Cabinet Secretary-backed initiative to get every civil servant equipped and empowered to innovate in 2024. This will be a unique moment to build the confidence of over 500,000 civil servants, demonstrating that innovation is something everyone can achieve.

Why is this all so important? If innovation can be ingrained in our structures, culture and capability it will empower continuous improvement – a self-perpetuating legacy of reform that would improve services for the public, build trust in government and reduce pressure on the centre to be continually driving change. As civil servants, we should all have a part to play in driving innovation, through leading activity and working in partnership with others.

# Curiosity is the key to innovation – but the right conditions must be in place

Thalia Baldwin,
Director, Strategy and Innovation,
Ministry of Justice

The public sector can be an incredibly stimulating environment to work in. It contains a hugely diverse range of roles. In the Ministry of Justice (MoJ), we have just under a fifth of all civil servants - around 90,000 people. We work in front line jobs such as in courts, prisons and probation, in foundational commercial, people and estates roles, in jobs that are working out our digital, tech and data futures and that are constantly reimagining, formalising, evidencing and implementing our policies. And many more.

For us, an innovative mindset is at the heart of our approach. It's therefore important that innovation feels and is accessible to all. So, whilst implementing innovative solutions can require specific expertise, we should all be able to ask the right questions: "why are we doing it this way?", and "what if we do it differently?".

Sometimes these questions can be prompted by needing to be agile in certain circumstances. The covid pandemic necessitated a different way of linking courts and prisoners for hearings. We introduced video links as standard, resulting in reductions in transfer costs, lower administration and security risks, and in some cases a better experience for victims and witnesses.

An internal culture that supports questioning and creativity can push the boundaries of our usual ways of working with significant impact. MoJ's excellent Communication Team has recently partnered with Buzzfeed to use real life staff to promote some of the motivational elements of being a prison officer, including teamwork, variety and a sense of purpose in the role. The short videos produced have received nearly three million views through Buzzfeed's social media pages and have led to a surge in visits to the prison and probation jobs website.

And it not only about the tech solutions. The teams developing our new technologically-enabled prisons are challenging assumptions about how prisons should be built, with a range of benefits for society. But they also know that something as simple as windows without bars can both aid security and start to change public perceptions about the necessary trappings of an environment that has historically prioritised punishment over rehabilitation.

We're always thinking about how we create the right conditions for an innovative mindset across the diverse MoJ family of organisations, working together to uncover meaningful solutions to our most complex challenges.

# Embracing an innovation mindset

Frazer Bennett,
Chief Innovation Officer,
PA Consulting

In recent months, I've advised hundreds of organisations – large and small – on how they can gain pace and progress on innovation. And I'm often asked if there's anything the public sector can learn from the private sector, which enjoys seemingly limitless access to money, people and time.

The truth? Well, all too often more resources can be a hindrance to innovation rather than a catalyst. Because innovation is a mindset, not a department. It's a way of thinking. A willingness to experiment. A behaviour that, when effective, can permeate throughout an organisation. But how? Leaders seeking to inspire an innovative mindset need a few secret ingredients:

### 1.   Diversity and Dissonance

First, you have to be willing to mix things up. Go out of your way to nurture diverse teams from across disciplines and departments. Bring the widest perspectives to any challenge and foster dissonance. That healthy friction that eludes groupthink will drive a better outcome. Make the environment one where it is safe to challenge and hold different opinions.

### 2.   The Experimental Mindet

Often the biggest blocker is the fear of failure. Hardly surprising – no one wants to fail. But let's instead consider innovation as a sequence of experiments. Done well, experiments don't fail – they move us forward. With a stepwise, iterative approach, we can get an answer faster and with less risk. PA's work with PulPac – replacing single-use plastic with plant-based fibres for thousands of everyday products – has been a sequence of experiments that have yielded remarkable results.

### 3.   Turning Things Off

Innovation is also saying 'no' a thousand times. Turning things off enables focus and progress. When PA delivered on the UK Ventilator Challenge, we couldn't afford to fail. So we ran eleven distinct projects in parallel. And as each project raced to the finish line, we could 'turn off' projects that were less likely to succeed, diverting resources to those more likely to do so.

### 4.   Maximal Constraint

Finally, there is a concept I call maximal constraint. The best way to foster truly innovative thinking is to enforce constraints on time and resources. Start-ups evidence this very well, as it is their very constraints that often inspire the best outcomes. So when Whitehall budgets are tight, resources are limited, and priorities are competing, an experimental mindset – coupled with maximal constraint – can deliver on innovation.

To find out more about PA's approach to innovation, read our latest report: www.paconsulting.com/innovationculture

# Join us

As an educational charity, *Reform* produces robust, evidence-led research with innovative but implementable policy solutions; and we convene reform-minded people from across the political spectrum to advance open debate and generate fresh thinking.

In a nutshell, we are home to bold ideas and big conversations.

We bring together like-minded individuals and organisations who share our commitment to finding innovative solutions to public policy challenges. Our Corporate Partnership programme is part of this impactful network.

We value the commitment of our partners very highly. We pride ourselves on building strong and mutually beneficial relationships, and work with our partners so they can get the most out of joining our network.

To find out more, please contact sylvie.macdonald@reform.uk.

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