



Civil service reform

Reform	Description
Rayner and the Financial Management Initiative, 1979–82	Sir Derek (later Lord) Rayner introduced FMI – a system used in commerce to monitor and improve performance.
Rayner, Ibbes and the Efficiency Unit, 1979–88	The Efficiency Unit was set up in 1979. Under Rayner and his successor, Sir Robin Ibbes, the size of the civil service was reduced from about 750,000 to about 550,000 during the 1980s. The unit also introduced business management techniques.
Ibbes and the 'Next Steps' reforms from 1988	After 1988 the government began to implement a report by Sir Robin Ibbes called 'The Next Steps'. This separated the administrative parts of the service, such as delivery of welfare benefits, issuing of licences and contracts, and routine spending decisions, from the limited number of officials engaged in policy-making. The administrative tasks were transferred to 'executive agencies'. The agencies were under less direct control, had their own management structure and used bonuses and incentives to improve performance. They could also contract work out to the private sector. The process of creating new agencies continued under New Labour after 1997.
The Citizen's Charter	This was John Major's creation. The Charter – applying to a wide variety of public services as well as some government departments – required targets of performance to be published. Failure to meet targets of public service could result in sanctions and even compensation to the public. The Charter helped to develop a new culture of delivering good service in public bodies.
Market testing	A system, developed in the 1990s, for comparing the performance of government bodies with similar organisations in the private sector. This created targets for best possible performance and value for money. Public service was to perform <i>as though</i> it were in a competitive market-place. Under New Labour this became known as 'best value'.
New Labour and modernisation	A series of developments to improve government performance further. Recruitment to the civil service was opened up to a wider variety of applicants. 'Joined-up government' was introduced. This was the development of policies outside the limits of individual departments. Information technology was introduced and there was further progress towards setting targets for good public service.
Temporary civil servants	In the late 1990s there was a growth in the introduction of temporary civil servants, who are effectively political advisers. They interact with permanent neutral civil servants.

