

Security Council springs into action

The National Security Council's first big test was the 'Arab spring', which – according to FCO director Dr Liane Saunders – changed the demands on both the council and the Foreign Office itself. **Joshua Chambers** reports

At the turn of the year, a sharp and obvious increase in the discontent of people across the Middle East and North Africa, caused by a feeling of disenfranchisement, blossomed into protest movements and revolutions dubbed the 'Arab spring'.

The UK government had to formulate responses to these fast-moving situations in a highly volatile area that contains many British interests. Speaking about these challenges last week at Civil Service Live, the joint director of the Foreign Office's Middle East and North Africa Directorate, Dr Liane Saunders, explained how foreign policy decision-making processes were stretched – particularly because of the formation of the new National Security Council (NSC).

The NSC was only six months old when the Arab spring began, and "the Foreign Office [FCO] was still really beginning to find its way, its path of dealing with the National Security Council," she said. Saunders explained that the NSC had been meeting on a fortnightly basis to consider large-scale, strategic issues into the medium term, and ministers were not familiar with the region's problems because they had not been at the top of the foreign policy agenda previously.

The Arab Spring changed the operation of the NSC, which started meeting on a daily basis to make immediate, tactical decisions as well as the "crunchy, strategic decisions," Saunders said. In turn, it demanded more from departments, asking for hard, raw, new data rather than the considered analysis which is the FCO's forté. "The NSC created a huge amount of work because it really is an action-oriented

organisation and co-ordination body, and I think that was to some extent quite a shock for the Foreign Office," Saunders said, adding that "the FCO is a policy organisation used to dealing with and developing analysis, particularly analysis for the medium-term in very polished papers."

"When you have an NSC meeting every single day, and in some cases discussing three or four different countries each time it meets, then ministers clearly



do not want a carefully polished analysis and, actually, it's not appropriate for the circumstances," Saunders explained. Technology also changed the requirements, she said: ministers and officials accessing updates on their smart-phones wanted concise, to-the-point messages rather than lengthy essays.

The FCO therefore had to adapt quite significantly. "We had to shift our method of working," Saunders said. "We [still] need to do the analysis... but actually, we need to turn that into actions and outcomes very quickly." The Arab Spring and its effect on the operation of the National Security Council has caused not only the FCO, she said, but also other departments working in foreign policy to "respond much more effectively and think through those issues on our feet, rather than with the luxury of a great deal of time to polish and craft and hone."

In a time of spending cuts, this is a useful transition, Saunders thinks. "There is a lesson here in the austerity that we face, because actually, we can gold-plate things too much," she said. "One thing we have learnt in our interaction with ministers throughout the Arab spring is that there are times when something is good enough and does fit the remit, even if it isn't as gold-plated as we might want it to be with the luxury of planning and time to think about things in advance." This change also suits ministerial working habits better, she said. "We need just enough detail, and not too much detail, because ministers are making a hundred and one decisions in the space of ten minutes and it's hard to keep them interested in the details." ■



Libya: Foreign and international development secretaries in Benghazi. **Top:** Liane Saunders

What a result

As departments seek to make more use of payment by results contracts, a panel of experts at Civil Service Live discussed the elements which will decide whether they're a success. **Suzannah Brecknell** listened carefully

Payment by results featured heavily in this week's public services white paper, which said that these contracts would be the default in a number of specific areas. At last week's Civil Service Live, a panel of experts convened to discuss how to make payment by results (PBR) work, and to explore further opportunities to use the approach within government. Already, panellists explained, the term covers a wide range of contract types and sizes – from the Department for Work and Pensions' multi-billion pound Work Programme through various Ministry of Justice pilot schemes to a £10m Innovation Fund, recently launched by the DWP, which will support smaller-scale projects. Geoff Llewellyn, director of public sector at business services firm Wipro, mentioned the use of profit-sharing models and joint ventures in developing technology solutions as another example of PBR in use.

As well as making effective use of limited public sector funds, contracts which specify an outcome rather than a process leave more room for innovation and can be an effective way to start tackling wicked problems which cross departmental silos. Mark Fisher, director for jobseekers and skills at the DWP, noted that the Work Programme deliberately avoids setting prescriptive contract terms so that employment-support providers can work "collaboratively at ground level". The next challenge for PBR, he suggested, will be not only to adapt the approach to different outcomes, but "how you can get this approach into multiple outcomes, whereby there's a health outcome, an offender outcome, there's an employment outcome".



Rebecca Endean, director of analytical services in the MoJ's finance and corporate services directorate, agreed, but cautioned that "we do need to remember what our responsibilities are in terms of protecting public money." She said three things will be required before departments can responsibly use PBR models: departments must be able to measure success; they must be able to write a contract; and they must be able to transfer some risk to external providers. "If those three basic conditions aren't fulfilled, then we probably

From left: Geoff Llewellyn of Wipro; the DWP's Mark Fisher; and Rebecca Endean from the MoJ

are in a little bit of trouble in terms of managing public money," she said.

Adrian Kamellard, director of the commercial portfolio in the Cabinet Office's Efficiency and Reform Group, emphasised the importance of putting in place the right metrics by which to measure success, adding that these must "reference the industry serving you as well as the policy you're trying to deliver". Civil servants embarking on PBR projects, he warned, "really need to make sure you have a proper and deep understanding of your supplier base." To make PBR a success, he continued, the team working on it must "bring together commercial, financial, operational and policy skills" – and that team must "be very rigorous in thinking about commercial constructs and measures [at an early stage] because it's quite difficult to tailor some of these things [later in the process]."

Fisher commented that the civil service is in the "foothills" of developing PBR contracts, and "we've all got some work to do with the Treasury" because "public expenditure control does require some quite simple systems, and all these are inherently complicated systems".

This work with the Treasury will be crucial, he suggested, to the longer term success of PBR: "I just hope by the time the next spending review comes around, we've all garnered enough evidence to have a real go at putting these themes into the spending review, because that's the only way that these things will really get life and breath other than as little experiments around the edges." ■