Looking back on the quango cull [1]

Written by **Tim Ambler** [2] | Saturday 15 January 2011

Was the Coalition?s first cull of the quangos quite as botched as the House of Commons Public Administration Select Committee?s (PASC?s) report of 20th December [3] suggests? On reflection, it was probably worse. The PASC?s main complaints were about poor drafting of legislation and process including the lack of consultation and implementation plans. The tests used to determine the taxpayer value of a quango ?were not clearly defined?. The PASC is being polite: they were not defined at all. This cull of 192 quangos was an arbitrary, seat of the pants, affair.

Before the election, the Tories claimed that a quango cull could release £1bn of public money. When Francis Maude, the Coalition Minster responsible, was quizzed on the Today programme (Friday 31st December) about the savings achieved, he refused to answer. The impression was left that no money would be saved, beyond the general cutback of government spending. Possibly, the cull would create even greater costs. Much of the reduction of numbers comes from merging quangos, yet we know that larger quangos with more diffuse responsibilities provide worse taxpayer value.

The other departing quangos are being merged back into departments. The Coalition?s rationale is that this will provide greater accountability and transparency. Wouldn?t it be wonderful if Ministers had just a little knowledge of history? Quangos were originally created to take responsibilities OUT of departments precisely to achieve greater accountability and transparency. The taxpayer would be able to see what was, or was not, going on. Now the same argument is being made for the reverse. Departmental units are more accountable and transparent to Ministers but LESS accountable and transparent to the rest of us. Using this argument to justify the reorganisation is dishonest.

In terms of taxpayer value, we need to compare the costs of departments and quangos doing the same things. Maybe one is cheaper for some and the other cheaper for others, as is the case for lay and professional magistrates. If these figures have been calculated, we have not seen them. So much for accountability and transparency.

Reorganisation provides the illusion of progress but it always costs more unless the work itself is reduced. If implementing a government policy takes either 9 mandarins or 10 quangocrats earning much the same money, who does the work is not material. No one would expect mandarins and quangocrats to be wildly different in terms of productivity. The quango vs. department discussion obscures the rationale behind the whole exercise, namely that the State will only be rolled back if it ceases to do some of the things it now does.

We should not ask ?is this quango necessary?? but ?what would be the consequences if this work was not

done at all?? If something really needs doing and the State stops doing it, private enterprise will step in. If no one is prepared to pay for it, then maybe no one wants it that much. In other words, the Coalition?s approach to the cull of the quangos was fundamentally wrong. There are a mass of things the State can simply stop doing, notably things within the MoD which the armed forces could better do for themselves.

The PASC made a number of excellent points including the confusion between the many types of quango and departmental units. Converting all those that survive to Executive Agencies is a good idea but first we need to eliminate redundant government and quango activities. Cull the work and only then the quangos.

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