



# 161

competitions chaired by Commissioners



Where declared,

# 6%

of applicants reported having a disability in competitions chaired by Commissioners



# Annual Report and Accounts

Regulating recruitment to the Civil Service, providing assurance that appointments are on merit on the basis of fair and open competition

Helping to promote the Civil Service Code and its values of honesty, integrity, objectivity and impartiality

# 2019/20

Where declared,

# 53%



of people recruited below SCS pay band 2 were female

Where declared, BAME candidates made up

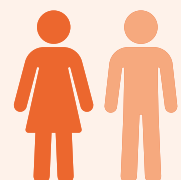
# 9%



of appointable candidates in competitions chaired by Commissioners

# 44,858

people were appointed to roles in the Civil Service





# Civil Service Commission

## Annual Report and Accounts 2019–20

Accounts presented to Parliament, the Scottish Parliament and the National Assembly for Wales pursuant to paragraph 16 of Schedule 1 to the Constitutional Reform and Governance Act 2010

Report presented to Parliament, the Scottish Parliament and the National Assembly for Wales pursuant to paragraph 17 of Schedule 1 to the Constitutional Reform and Governance Act 2010

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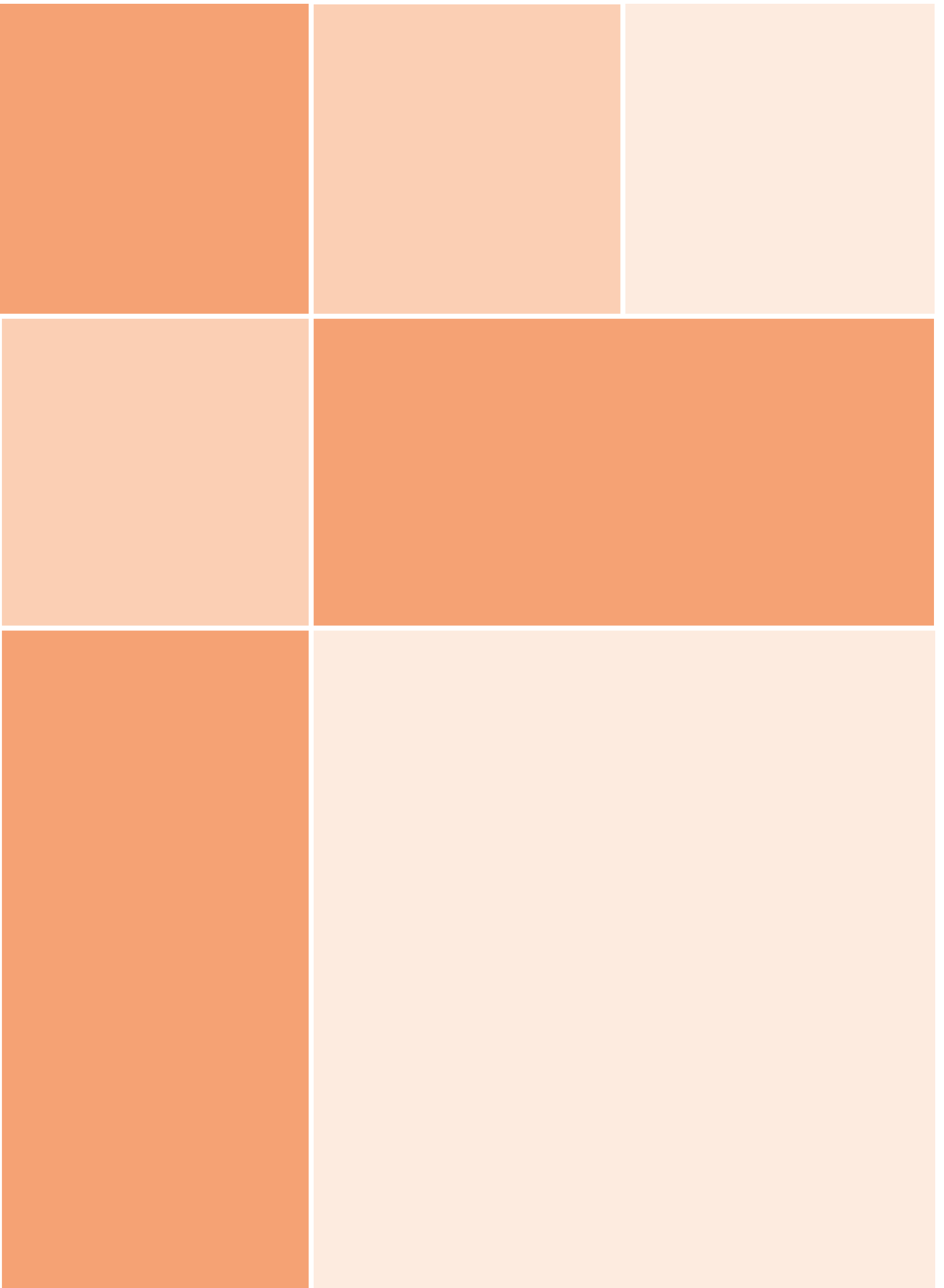
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# Part 1:

**Annual Report  
2019/20**







# Overview

## First Civil Service Commissioner's Foreword

It has been a truly unprecedented year for the nation and for the Civil Service. Within a year the country has held another General Election, left the European Union, and is now dealing with the global Covid-19 pandemic, creating challenges never faced before in peacetime. The government has had to react at pace to set up and deliver new structures, processes and payments to support citizens and businesses through this time of crisis.

Civil servants across the country are playing their part, actively serving the government of the day to deliver their priorities, including for example: thousands of staff in Department for Work and Pensions offices supporting those being made unemployed and who are making claims; staff at HM Revenue and Customs devising and implementing the new Job Retention Scheme to support furloughed workers; and those all across the Civil Service supporting front line workers and the general public as we collectively face the pandemic.

Working closely with Ministers, Permanent Secretaries and senior leaders are having to take mission critical decisions. Having the best people in those positions, knowing they have been appointed on merit after a fair and open competition, has never been more important.

The Commission regulates all appointments to the Civil Service, including at Permanent Secretary level. Not all of the 40 or so Permanent Secretaries run large Whitehall departments. They may be specialists or security chiefs. Indeed, the senior scientists at the forefront of the daily Downing St Covid-19 press briefings are Permanent Secretary equivalents, appointed on merit after an open and fair competition chaired by a member of the Commission.

The process of appointment at senior levels can seem shrouded in mystery. I want to share what happens in practice and the part we play as a regulator.

Where vacancies arise, the first consideration is whether to fill the role with a managed move of an existing Permanent Secretary. This is a decision for the Prime Minister, in consultation with the Cabinet Secretary and the relevant Secretary of State.

But where they decide to hold a competition to fill the vacancy, often after a series of managed moves across departments, the Commission gets involved, following the process set out in the Commission's Recruitment Principles, which interpret the legislation passed by Parliament in 2010.



As First Civil Service Commissioner, I usually chair Permanent Secretary appointment processes from start to finish. The first step is to clarify the job description and salary package. This is prepared by the department in conjunction with its Secretary of State. Depending on the security aspects of the role, there may also be nationality considerations, with many posts limited to UK citizens.

The Cabinet Secretary and Ministers will make a decision about whether the selection should be restricted to within Whitehall or opened to the external job market. Ministers may want a serving civil servant because of the Whitehall-related complexity of the job, or the need to fill the vacancy as quickly as possible, but other roles (e.g. Director of Public Prosecutions) lend themselves to open recruitment. (For open competitions an executive search firm will usually be engaged by the employing department at this point.) Once these decisions are taken, the job is advertised, with an appropriate timeframe for response. I will also meet with the Secretary of State to understand their specific emphases for any potential postholder.

My next task as chair is to assemble a recruitment panel. For these senior roles, this will always include the Cabinet Secretary (or their senior nominee), usually an independent non-executive from

the department together with another Permanent Secretary or someone with relevant expertise of the sector. Diversity is a priority for me in selecting members of the panel.

The panel will meet soon after applications have closed to create a shortlist of candidates to interview (usually no more than four).

Once shortlisted, each candidate will normally undertake the following steps before the interview:

- A briefing meeting with the Secretary of State, observed by a member of the Commission, at which there is a two way exchange of information and after which the Secretary of State can highlight further points for the panel to probe.
- Psychometric assessments usually with a staff engagement exercise.
- Often, a media handling or mock select committee exercise.
- A pre-interview presentation or exercise for the candidates to bring to the interview.

Interviews then take place, usually all on the same day, or sometimes over two days close together. For international applicants, we regularly use videoconferencing, a precedent that has stood us in good stead

more generally during the lockdown period. The interviews are thematically consistent for every applicant, with suitable tailoring of questions to reflect their background.

The panel must then determine which, if any, of the interviewed candidates are “above the line” and appointable.

Assuming there is at least one appointable candidate, I report the panel’s findings to the Prime Minister and, in line with the Commission’s Recruitment Principles, invite them to choose between the appointable candidates.

It is important to note that the PM may choose any one of the candidates whom the panel has found to be appointable, but the PM may only choose from that list. Special Advisers are not part of the process and although Secretaries of State are heavily involved in the early decisions, the final choice is for the Prime Minister.

To date, in my time as First Commissioner, we have put forward 34 appointable candidates to PMs, from which they have chosen 19 Permanent Secretaries. Of these, 10 were men and 9 were women; 3 were direct from the private sector, 1 from overseas, 3 were Diplomats, 1 principally from NHS and 11 principally from the “home” Civil Service.

In my judgement, the process is both compliant with the Constitutional Reform and Governance Act 2010, and works well in practice, balancing the need for politicians to make clear their expectations

for the role, while protecting the impartiality of the Civil Service. The Civil Service undoubtedly has more to do on diversity (in particular on ethnicity, disability and social mobility), to make the senior levels of the Civil Service more reflective of our country. However, I am confident that the process produces capable leaders, with relevant expertise, who are impartial and able to serve the government of the day. I also believe the Commission provides public assurance that candidates are fairly treated and properly assessed to ensure the best applicants are recruited to these nationally important roles.

I am very proud of the way in which the entire Commission, whether Commissioners or secretariat, has responded at pace to the current situation and is working with departments and agencies to help them to recruit civil servants promptly, within the law, to help deal with the emerging challenges. As a regulator, we will continue to both challenge and support the Civil Service, recognising the enormity of the task ahead for all those who serve the public at this time.



**Ian Watmore**  
First Civil Service Commissioner



## Chief Executive's Introduction

As I write at the close of 2019/20 we remain in the grip of the Covid-19 pandemic and the necessary restrictions on movement. Of course, those restrictions have had a disproportionate impact on the final weeks of this reporting year. On one hand the number of new senior recruitment competitions requiring a Commissioner as chair has reduced, and some that were in train have been postponed, while on the other hand the level of enquiries from departments seeking advice and support has risen sharply.

I am extremely proud of the way in which the entire Commission has responded and enabled those at, or closer to, the front line to be able to steer us all through the current situation as well as possible. Whether, for example, that has been through quickly developing and publishing guidance in collaboration with Civil Service Employee Policy (CSEP) to answer the emerging common questions, or turning around quickly the many requests to make key appointments by Exception – some within a matter of hours, as was the case for the Scottish Government unexpectedly needing to appoint a new Chief Medical Officer.

The Commissioners have also taken much pride in seeing a number of senior people who have been appointed through open recruitment competitions they have chaired being at the very forefront of the government's daily Covid-19 updates.

“During the current Covid-19 crisis we have had to work at pace to ensure that Ministers continue to have trusted, expert advice. This has meant that some high-profile appointments have been made by Exception, often at short notice. I am most grateful to the Chief Executive of the CSC and his staff for their support at these times of immediate need. They have proved themselves to be keen to engage with me to ensure that we receive a fast and pragmatic response that both enables us to provide an effective service to Scottish Ministers and preserves the integrity of the CSC Recruitment Principles.”

**People Directorate,**  
Scottish Government

The Commission has also been supporting departments to continue where possible with ongoing recruitments in a manner that, while different to that advertised, continues to meet the Recruitment Principles and requirements of the Constitutional Reform and Governance Act (CRaG), including moving to virtual interviews. These changes are a good demonstration of the way in which the Commission seeks to operate as a modern regulator enabling and facilitating those we regulate to recruit excellent staff at the right time and within the spirit of CRaG. The First Civil Service Commissioner has, in

his foreword above, provided an overview of the importance of, and the approach to, recruiting Permanent Secretaries, thereby, demonstrating one of the key regulatory roles that the Commission plays.

Turning now to the performance over the majority of the year, during which we have seen a 19% reduction in appointments across the Civil Service, including in senior posts, returning to numbers closer to 2017/18. This reflects the significant increase in 2018/19 that was driven by appointments related to EU Exit work. Similarly, Exceptions have reduced in number, making up almost 12% of all appointments, within the range seen over recent years.

There were 161 senior competitions chaired by Civil Service Commissioners, down from 197 last year. This is likely to be a consequence of having had a General Election, during which time senior appointments tend to slow or stall. However, there were 7,146 applicants for those 161 roles. While there have been improvements in the proportions of some diverse groups from application to interview to being found appointable, there are still questions around why the progress of all candidates is not proportionally similar.

In last year's report I highlighted that we would focus during 2019/20 on: launching a refreshed website; better promotion and visibility of the Commission; continuing the consolidation of the revised compliance regime; maintaining a focus on diversity and inclusion; and supporting life chance opportunities across the Civil Service. We have, I am delighted to say, succeeded in all of these areas.

The Commission's website was relaunched in July with improved user navigation, the addition of short films to explain our core functions and improved guidance for departments, current civil servants and potential candidates along with regular news and blogs. We have run a number of demystifying events to engage with different stakeholders on the Commission's purpose, application of the Recruitment Principles and, importantly this year, the Civil Service Code, to enhance understanding of where and how it applies, particularly in relation to EU Exit issues. More details of these events can be found at pages 17-18.

The revised compliance regime has bedded in well and the compliance ratings, trajectories and breaches shown on pages 20-21 now reflect a mature system. Unfortunately we were not able to visit all 72 bodies in person this year as the Covid-19 pandemic restrictions prevented the final visits taking place. Therefore, 13 organisations were audited electronically, but we were able to ensure consistency across all our audits, however conducted. The focus on diversity and inclusion has remained strong and the improved proportionality figures for BAME and disabled candidates moving through from application to being found appointable is encouraging, but as I said earlier there is room for more improvement. Although we have not made as much progress on developing our understanding of the disabled candidate journey as we had hoped, that will be rectified in 2020/21. There are now 14 life chance programmes accredited under Exception 2, with more in the pipeline.


Looking ahead to 2020/21 it is clear that a number of questions will arise as a result of the Covid-19 pandemic. While the Commission has been highly proactive and effective in supporting departments, it will be important to capture lessons learned and prepare for similar future situations. Consideration of the use of virtual recruitment processes will form part of that work. There will no doubt be organisational questions to consider as we emerge from the restrictions; what challenges and opportunities have presented themselves?

“I am so proud to have been a Civil Service Commissioner for the last four and a half years; it truly is the best and most worthwhile job I have ever done. Reflecting on the changes that have taken place during that time, I would pick out the work that has been done to help move diversity of all descriptions from a deeply felt commitment to a reality. There is, of course, a long way to go, especially at SCS level, but the requirement, introduced last year, for all SCS selection panels to include at least one member who is either disabled or from a BAME background is an important step forward in the Civil Service’s efforts to help individuals from under-represented groups progress and flourish.”

**Isabel Doverty,**  
Civil Service Commissioner

Four of the current Commissioners will reach the end of their five-year appointment in September and new Commissioners will be sought, appointed and inducted in due course, but the recruitment process was unfortunately delayed by the pandemic. Towards the end of 2020/21 consideration will need to be given to the recruitment of a new First Civil Service Commissioner as Ian Watmore’s five-year term comes to an end in September 2021.

Finally I would like to thank all of the Commissioners and the secretariat team for their continuing support and hard work. In particular, I say thank you on behalf of the Commission and our regulated bodies to Jan Cameron, Isabel Doverty, Sarah Laessig and Kevin Woods for being exemplary Commissioners since October 2015. During their tenure each has assured the system and chaired very many recruitment competitions at the highest levels, which have resulted in the appointment of some truly exceptional individuals across the Civil Service – thank you!



**Peter J Lawrence OBE**  
Chief Executive  
Civil Service Commission  
15 July 2020

## Key facts

### Civil Service-wide

**44,858**



people appointed to roles in the Civil Service, **down 19%** from 55,376 in 2018/19 (gross recruitment, not net change in Civil Service numbers)

**39,654**



recruited through fair and open competition, **down 21.5%** from 50,552 in 2018/19

**5,203**



appointed by Exception (**up 8%** from 4,824 in 2018/19)



**82%**

of departments and agencies audited in person (**down from 100%** in 2018/19 due to Covid-19)

**119**



**breaches** of Recruitment Principles (105 in 2018/19)

**215**

**Recruitment Principles complaints**

received, of which 73 were referred back to departments for investigation and initial decision



**97**

**Civil Service Code appeals received,**

of which 23 were referred back to departments for investigation and initial decision




## Commissioner-chaired competitions

**161** 

competitions chaired by Commissioners (**18% less** than last year). **7,146** applicants, (**17% less** than last year)



Where declared, **women made up 27%** of applicants. They were more successful at each stage, making up **37%** of shortlists and **41%** of appointable candidates

Where declared, **BAME candidates**  made up **20%** of total applicants. They made **9%** of shortlists and **9%** of appointable candidates

Where declared, **6%**  of applicants reported having a disability, but they were more successful, making up **7%** of shortlists and **7%** of appointable candidates

**72%**  of appointed candidates were existing civil servants

 **60%** of recommended candidates were rated outstanding or very good

**98** competitions produced **more than one appointable candidate (61%)**



## Recruitment below SCS pay band 2

**44,752\***



people appointed to positions below SCS pay band 2

**39,558**



recruited through fair and open competition (5,194 by Exception)

Where declared,

**53%** of people recruited were **female**, and



**47%** were **male**

**19%**



of people recruited self-declared as BAME, **down from 20%** in 2018/19

BAME candidates were most successful at grades

**EO** (21%)



and **HEO** and **AO**

(19% of both HEO and AO recruits)

**6%**

of people recruited **declared a disability**, static at **6%** in 2018/19



\*As reported by departments



# Performance analysis: review of 2019/20

## Highlights of 2019/20

### Promotion and visibility

Following a successful open event in February 2019 we have continued to promote and raise the profile of the Commission by holding more events this year. In September 2019, we held another of our successful demystifying events focusing on BAME applicants to the Senior Civil Service (SCS) with three Commissioners, Jane Burgess, Sarah Laessig and Jan Cameron.

The Commissioners provided an overview of the work of the Commission, the Civil Service Code and what happens in a senior recruitment process, including “top tips” on what the Commissioners and panels look for from applicants during the application and interview processes.

“I was really impressed with the panel of speakers who were extremely knowledgeable and clear experts on the subject. They shared information with us that was really helpful and practical. The Q&A session cemented my understanding of what Commissioners tend to look for in senior appointments even though I’ve been in the Civil Service for years. It was comforting to know that difference is valued.”

**Tola Ayoola,**  
Head of Leadership Engagement

“I have enjoyed taking part in the Demystifying the Civil Service Commission events over the past year, and have had positive feedback from attendees, who have found the tips and the information shared very useful.”

**Rosie Glazebrook,**  
Civil Service Commissioner

In October we held an evening event for search firms, HR professionals from other government departments and other interested stakeholders. Natalie Campbell, one of our Commissioners, chaired a panel alongside Sir Richard Heaton KCB (Permanent Secretary Ministry of Justice), Joanna Abeyie MBE and Dame Melanie Dawes DCB (former Permanent Secretary at Ministry of Housing, Communities and Local Government, now CEO at Ofcom).

Representatives of eight different search firms attended the event, the aim of which was to strengthen mutual engagement around issues including the government’s diversity statistics, initiatives and barriers.

The main takeaways from the event were: the need to invest in finding high-quality diverse candidates for roles in the Senior Civil Service; a better shared understanding of government’s recruitment processes including the Commission’s role in senior recruitment;

and to continue to look for opportunities to share best practice internally and with each other.

This year, we have spoken about the Civil Service Code at the Nominated Officers Conference organised by Civil Service Employee Policy and have given several other Code talks in departments. However, also wanting to find a way to engage with a wider pool of people and create opportunities to explain our role in hearing appeals under the Code, in February 2020 we trialled a Demystifying the Civil Service Code event. This event attracted a high level of interest with 35 attendees in person, over 40 livestream viewers on the day and 160 livestream views in total, with people having watched 70% of the video on average. A presentation, followed by a Q&A session, was given by a member of the secretariat who was supported by two of our Commissioners, Jane Burgess and Sarah Laessig, and the Chief Executive. As well as explaining how the Code is applied and how we deal with Code appeals, we were able to answer a range of questions from the attendees.

We will continue to build on the success of these events and develop our schedule of events for next year, including a series of round tables with search firms to carry on the discussion and further demystifying sessions covering both the Recruitment Principles and the Code. Building on the success of our live stream trial and responding to likely Covid-19 pandemic changes, we will deliver more sessions virtually.

Commissioners and members of the secretariat also attended some of the Civil Service Live events to promote the work of the Commission. Attending the events in Edinburgh, Exeter, Birmingham, Cardiff and London provided opportunities across the six days for many civil servants from across the country to hear directly from our team. Whether with long-serving or newer recruits to the Civil Service, the conversations were enlightening and informative for all parties.

### Website refresh

The Commission's new website was launched in July 2019, with a more logical and user-friendly structure, streamlined content, and a more effective search function. New content includes short films about our work, a section on frequently asked questions that will be updated regularly, and a focus on what HR professionals in other government departments and members of the public need to know, as well as raising the Commission's profile with news and blogs.

This year we have moved to publishing an interactive online version of our Annual Report and Accounts on the website rather than producing PDF and printed versions. This should be easier to navigate and is, of course, more environmentally friendly.

### Life Chances

Our strategy to support the provision of life chance opportunities across the Civil Service has continued to grow. There are now 14 accredited schemes in place and a number of further proposals to take forward into 2020/21.

The wider Life Chances strategy has now seen over 2,000 candidates be recruited under Exception 2 across the 14 schemes.

In September 2019 the leadership of the award-winning Going Forward into Employment (GFIE) Scheme moved to the Commission's Chief Executive. Expanding beyond prison leavers, the Civil Service now offers opportunities to veterans and their partners/spouses. At the end of 2019/20 there had been 38 prison leavers and the first three veterans recruited into the Civil Service through GFIE, and a number of additional candidates were also progressing through the recruitment process.

One of the first veterans recruited under the scheme explained the difficulties they faced after serving 22 years in the military and how GFIE supported them into an employment opportunity within the Civil Service.

**“The help from the Going Forward into Employment Scheme was invaluable. I was kept up to date with all aspects of the process and was given the opportunity and encouragement to showcase my transferable skills built up from my military career. The way I have been welcomed into my department has been brilliant, the contact with my own mentor to discuss any issues has been very welcome and appreciated.”**

**A veteran recruited through GFIE**

## Compliance regime

Now in its third year, our approach to moderated compliance ratings based on in-year performance (good, fair or poor) and likely trajectory (at risk, static, likely to improve) is now mature. We began the year with a plan for carrying out inspections in person of all 72 organisations we regulate. However, following the restrictions put in place in March, to manage the Covid-19 pandemic, we audited the final 13 organisations electronically. Having undertaken electronic audits in previous years meant we understood the different dynamics associated with this approach and so were able to ensure consistency across all our audits, however conducted. Our hope is that we can return to face-to-face visits for some, if not all, organisations for 2020/21.

Our in-house data collection function was audited by Government Internal Audit Agency this year and given the best, “substantial” rating, meaning there was deemed to be substantial governance and risk management over the data collection process. We continue to make improvements to the survey and to our guidance to ensure that the reporting process is agile but straightforward for departments to use.

This year has seen the widespread adoption of Success Profiles as a recruiting tool, across the Civil Service, which has, largely, gone well. There are some issues around the documentation that is retained and we have been working with some of the organisations we regulate, Government Recruitment Service (GRS) and the digital team implementing the electronic recruitment system to ensure that the system produces sufficient information to demonstrate compliance with the legal requirement to recruit on merit following a fair and open competition.

The Commissioner Compliance Group considered the evidence collected at audit and the quarterly recruitment data alongside the context and positive actions for each organisation. Those considerations resulted in the annual assessment and risk ratings for all 72 regulated Civil Service organisations, as summarised in Table 1 below. It was reassuring to see that five of the six departments that were rated poor last year have moved to an improved rating for 2019/20 of fair or good.

**“It is an important part of our statutory duty to ensure that all departments comply with the Recruitment Principles. We appreciate that some programmes take a while to have an impact so we take into account any positive actions that have been implemented that will lead to improvements in the future.”**

**Jan Cameron,**  
Commissioner, chair of the Compliance Group

**Table 1** Distribution of Ratings and Trajectories 2019/20 with comparison to 2018/19

2019/20 (2018/19)		Trajectory		
		Likely to improve	Static	At risk
Rating	Good	N/A	11 (8)	1 (0)
	Fair	11 (16)	28 (34)	16 (6)
	Poor	3 (5)	2 (2)	N/A

We assessed the following five organisations as poor for 2019/20:



## Cabinet Office

The Cabinet Office has 10 breaches for 2019/20. The more serious breaches of the Recruitment Principles relate to: a Ministerial meeting that was held without a Commission representative; a panel that included a family member of a candidate; and a senior appointment for which there are no interview records.



## Department for Environment Food & Rural Affairs

We found merit order breaches of the Recruitment Principles in relation to two rolling volume campaigns at different grades. It became clear that, following a reduction in the available number of posts, some merit/reserve list appointments were made involving assessment of criteria that were not closely matching with the original roles recruited to and thus some appointments were made out of merit order.



## Department for Transport

The Department for Transport has two breaches of the Recruitment Principles this year. The first was the most serious as it was a merit order breach found at audit. The second breach related to a campaign where the Guaranteed Interview/Disability Confident Scheme was not applied consistently as one candidate proceeded while another did not, when both scored the same.



## Ministry of Justice

Ministry of Justice (MoJ) has four breaches of the Recruitment Principles this year and one breach of the Civil Service Code. The most serious relate to a complaint within scope of both the Recruitment Principles and the Civil Service Code for a single campaign run in 2017/18. Within this, we found two serious breaches of the Recruitment Principles. The first was for a failure to declare adequately and then manage a clear conflict of interest (panel chair and one candidate being related). The second was a serious record keeping breach which has meant that MoJ cannot evidence whether appointment has been made on merit in line with the legal requirement. A Code breach was also found (see page 30) in this same case.

## QEII Centre

One breach of the Recruitment Principles was identified at audit out of a very low level of recruitment activity. QEII Centre had made an appointment out of merit order and this most serious breach has led to their poor rating.

We will continue to support each of these organisations and we plan, as we did in 2019/20, to carry out an early interim visit to the organisations rated as poor. We will then conduct further interim audits where necessary and a full audit of each organisation later on in the year.

Table 3 (page 32) sets out the Compliance Group's annual assessment and risk ratings for each organisation, following moderation by the Compliance Group. Also set out in this table are the number of breaches identified for each organisation in 2019/20. These include breaches of the Recruitment Principles or situations where there was insufficient documentation to evidence recruitment on merit following a fair and open competition and other issues identified at audit visits, breaches following complaint investigations, and Exception breaches. We have also included one Civil Service Code breach. While we have identified some poor practice and breaches during the year, overall the Commission retains confidence in the ability of all organisations we regulate to carry out external recruitment and we do not believe that any require significant regulatory intervention.

## What we do

### Recruitment

The Commission derives its regulatory powers from the Constitutional Reform and Governance Act 2010 (CRaG) which requires the Civil Service to appoint staff on merit, after fair and open competition. It also provides the Commission with a duty to publish the Recruitment Principles, the Commission's interpretation of CRaG. The Recruitment Principles provide the guide that government departments must use in order to recruit into the Civil Service.

The Commission has long taken the view that an overly prescriptive approach to compliance with CRaG would be impractical for government departments. Our principle based regulation provides departments with the flexibility to design resourcing solutions which suit them, while still meeting the core requirements of an appointment on merit, after fair and open competition.

“The SCS2 Team within the Government Recruitment Service (GRS) works with departments and provides end-to-end campaign management, senior stakeholder engagement, recruitment policy expertise and advice on best practice. Having built a close working relationship with the Civil Service Commission over a number of years, we are now able to work in partnership with them to ensure external campaigns are delivered compliantly and with the best possible outcome in what are some of the government’s most important leadership roles.”

**Matt Butterfield,**  
Senior Account Manager GRS

The Commission is a regulator, and provides assurance that the requirements of CRaG are being met, largely through our complaints and compliance functions. As an organisation, the Commission also aims to be open, collaborative and enabling. Departments are encouraged to maintain regular and early contact with the recruitment policy team, in order to seek advice and design recruitment campaigns that are compliant, and we offer a direct phone number for both staff in departments and members of the public to seek immediate advice.

One of the major changes to recruitment to the Civil Service has been the introduction of Success Profiles in January 2019. Success Profiles aim to recruit in an inclusive way, using a blended assessment which takes account of experience,

ability and technical or professional skills, alongside personal strengths and behaviours. Typically, interviews and assessments at lower grades will involve questions designed to test behaviours and strengths. The framework has taken a while to bed down into recruitment at delegated grades, but is now common practice. In recent months it has been introduced into some senior competitions.

“Commissioners have been involved in only a small proportion of recruitment that uses Success Profiles. In practice, while many elements of the competitions already incorporated additional assessments such as Staff Engagement Panels and Leadership Assessments with an occupational psychologist, a significant change has been that candidate information and the person specification itself contains more information than before.”

**Jane Burgess,**  
Civil Service Commissioner

“The Commission is happy to support departments that are using Success Profiles as the basis of their recruitment process as it supports the fundamental principles of merit, fairness and openness. I found the framework to be very flexible and a useful way of taking a more rounded view of the candidate’s evidence.”

**Jan Cameron,**  
Civil Service Commissioner

Our intention is always to inform departments and enhance their understanding of the Recruitment Principles by offering training sessions on the Recruitment Principles. This year we have visited and trained 26 individual departments. These visits were the result of individual requests, or as a result of compliance visits that identified particular needs within some departments. Our aim for the coming year is to offer more group sessions, so that departments have the opportunity to network and learn from each other, as well as from the Commission.

**“Working closely with the Commission has also been a key part in the success of establishing a Centre of Recruitment Expertise (CoRE) for the Civil Service. Bringing together SCS Recruitment experts and practitioners from across government with external suppliers and commissioners provides the opportunity to share best practice and innovative thinking and ensure we continue to appoint the very best candidates into senior Civil Service positions.”**

**Matthew Davies,**  
Deputy Director, CoRE

We also engage with Civil Service HR, to ensure that policies that will apply to the way in which departments recruit are aligned to the current Recruitment Principles. We are currently working with the Centre of Recruitment Expertise in the Cabinet Office on a pilot scheme to fill senior Civil Service positions using candidates held on reserve lists from

externally advertised roles, and the government’s manifesto commitment to provide veterans with access to Civil Service roles.

**“We have a good relationship with the Commission. There is always a willingness to explore how we can find a way which supports the Civil Service delivery requirements and is fully compatible with the Commission’s Recruitment Principles. Our work together on making the Civil Service a great place to work for veterans is a great example of collaborative working; helping Armed Forces veterans secure rewarding jobs, allowing them to continue to serve their country, and bring their skills and experiences into the Civil Service.”**

**Liam Burkill,**  
Civil Service Employee Policy

From the outset of the Covid-19 pandemic, enquiries to the Commission increased significantly as departments revised their approach to face-to-face recruitment accordingly. The Commission worked closely with Civil Service Employee Policy to develop detailed guidance, which was published within a week of the government’s initial advice for social distancing.

While we have no direct role in EU Exit work, the Commission continues to support departments in recruiting to their EU Exit teams including with Exceptions to the Recruitment Principles.



## Exceptions

The Commission recognises that the requirement for fair and open recruitment may need to be waived in certain circumstances, and therefore makes use of the provision in the Act to make exceptions to the core principles. There are currently 10 Exceptions set out in the Recruitment Principles and these have evolved over time to meet the needs of an ever changing Civil Service. The latest version of the Recruitment Principles was published in April 2018. This revision encouraged the use of Exception 2, to enable opportunities to be offered to certain disadvantaged groups. The use of this Exception is increasing, bringing greater diversity to our workforce, as described at page 18 above.

Exceptions are mainly used to fill short term vacancies, or vacancies which arise at short notice. At times, exceptions are used to draft in expertise through secondment arrangements with organisations outside of the Civil Service. This facilitates an exchange of skills, often between the public and private sector. The Commission considered 256 Exception business cases this year, 62 of which were at SCS PB1, PB2 and PB3 grades. A list is published and updated regularly on the Commission's website.

In September 2019, the Commission agreed to appoint up to 20 Trade Negotiators, to assist the Department for International Trade to prepare for EU Exit, without competition, to quickly bring in a range of specialist negotiating expertise, including procurement, investment, agriculture and data.

In November 2021, the UK will be hosting the 26th session of COP (the Conference of the Parties) the UN's annual climate summit. A central unit was set up in the Cabinet Office in September 2019, to lead on the staff resources needed for the summit. The COP26 Unit has made use of the Exceptions in the Recruitment Principles to bring in a small number of climate change experts, some on secondment and two on short-term fixed term appointments, drawn from backgrounds including academia, charities and NGOs. These staff will bring extensive knowledge and world-leading expertise, to build critical relationships with key UK stakeholders and international parties. Given the time-limited nature of the project, and the small number of individuals with the requisite knowledge, skills and experience, running a standard external recruitment exercise would have been impractical. The opportunity to bring in individuals through secondments and short-term fixed term appointments has therefore been incredibly useful for the COP26 Unit, enabling us to draw on expertise that did not exist in the Civil Service.

While decisions at lower levels are delegated to departments, appointments made by Exception to roles at Director and above require prior approval from the Commission. This year the Commission approved 28 appointments by Exception at PB2 and three at PB3. These appointments are generally time limited to allow for open recruitment to take place, and ensure appointments are made on merit, including at the most senior levels of the Civil Service.

The Commission also has the ability to grant 'class approvals', which facilitates a number of staff to be temporarily appointed to the Civil Service to fulfil a certain need.

A good recent example of this are the two class approvals provided to Public Health England in March 2020, in response to the Covid-19 pandemic. To support the initial pandemic coordinated response, the Commission received an Exception request for up to 40 roles, below SCS level. However, it was clear that this would probably not be sufficient and so it was agreed, within the hour, to approve up to 150 staff. An additional Exception was granted for up to 200 medically qualified staff directly involved in contact tracing. The Commission also worked closely with the Department of Health and Social Care to bring in a range of volunteers and returners at senior grades, in a way that was compliant with the Recruitment Principles.

### Chairing senior competitions

In 2019/20, Commissioners chaired 161 competitions, 127 at Director level, 28 at Director General level and six at Permanent Secretary level. This resulted in 145 appointments, and 16 competitions resulted in no appointment. These senior roles ranged from Directors of Finance and Chief Operating Officers for a number of departments, Regional Schools Commissioners and the Director General for the Prisons and Probation Service. Commissioners were also requested by some departments to chair competitions at PB1 level; while this is not usual practice the Commission does, on occasion, agree.

The First Commissioner chairs the selection panel for Permanent Secretary roles, often with the Cabinet Secretary as a panel member. Ian Watmore chaired competitions for the Permanent Secretaries for Defra and the Northern Ireland Office, The

Principal Private Secretary to the Prime Minister, the Chair to the Joint Intelligence Committee and the Chief Medical Officer. All of these appointments are subject to the approval of the Prime Minister.

Chairing senior competitions is an essential part of the Commission's regulatory role. Commissioners are involved from the planning phase of a competition, through to the interview stage. They guide the panel through the consideration of a range of assessments undertaken by candidates. Typically, additional assessments include a leadership assessment and a staff engagement exercise and reports are made available to the panel prior to interview. For appointments at Director General level, Commissioners work closely with the DG Workforce Team based in the Cabinet Office.

**“When I took up the role of Commissioner in 2015, the Commission had recently gone through a difficult period, driven by questioning from some quarters about the validity of the model of an impartial and objective Civil Service, selected on merit. The Commission weathered that storm, but it is disappointing to see some of the same questions being raised again. As a Commissioner, I have chaired dozens of competitions over the years and I have seen that the model works. It has been a privilege to work with so many brilliant people – panel members and candidates – and to contribute to making our Civil Service the best in the world.”**

**Isabel Doverty,**  
Civil Service Commissioner

“Our partnership with the Commission provides assurance for both candidates and the citizen that appointments to the most senior leadership positions across the Civil Service are made fairly and transparently. As a recruitment practitioner, I value the insight and impartiality provided by the Commission to help us identify and implement best practice so that the Civil Service can recruit the best talent to deliver government’s priorities.”

**Paul Massini,**  
Recruitment Partner,  
DG Workforce Team, CSHR

## NDPB accreditation

The Commission manages an accreditation process for staff of Non-Departmental Public Bodies (NDPBs), sponsored by government departments, to enable access to Civil Service jobs that are not advertised externally. The accreditation allows NDPBs to advertise roles on Civil Service Jobs and gives staff from those organisations and existing civil servants the opportunity to apply for a wider range of vacancies. This allows a greater interchange of valuable skills in the public sector. An accreditation lasts for three

years and provides a level of assurance that NDPBs recruit in a way that is compliant with the Recruitment Principles. A list of accredited bodies can be found on the Commission’s website.

## Recruitment complaints

This year we received 215 complaints about recruitment campaigns (211 in 2018/19). One case remains open, which we will report on in due course. The majority of complaints received by the Commission are out of scope for our consideration or require a departmental investigation before we can look at the case. Of the remaining 74 cases requiring further consideration, this year 66 cases were considered by the Commission and no breach was found in any of those cases. Although these cases did not require a full investigation, they often form a large part of our casework as we check that the relevant organisations have complied with the Recruitment Principles. Breaches were found in a further eight cases detailed below. Case 7 was considered by a Commissioner panel; the remainder did not require full consideration as breaches were identified without this being necessary.

Details of the complaints received are published on our website<sup>1</sup> and, for those complaints that require adjudication by a Commissioner panel, we publish a decision notice.

<sup>1</sup> <https://civilservicecommission.independent.gov.uk/publications/recruitment-complaints/>

### Complaints where breaches of the Recruitment Principles were found:

<b>Case 1:</b> Advisory, Conciliation and Arbitration Service	The Commission concluded that a breach of the Recruitment Principles occurred during the campaign in question when candidates were required to give presentations that were limited to seven minutes in duration rather than the 10 minutes advertised.
<b>Cases 2 and 3:</b> Department for Environment, Food and Rural Affairs (Defra)	Defra ran two rolling volume campaigns at different grades. Appointments in such campaigns are usually made in tranches. In this case, it became clear that, following a reduction in the available number of posts, some merit/reserve list appointments were made involving assessment of criteria that were not closely matching with the original roles recruited to and thus some appointments were made out of merit order.
<b>Case 4:</b> HM Revenue and Customs	HMRC was found in breach of the Recruitment Principles when, because of a high volume of applications, a campaign closed earlier than the advertised closing date. This was a breach of fairness and openness, as the correct advertised process was not followed, preventing some candidates from applying.
<b>Case 5:</b> Ministry of Defence	We received a complaint about a candidate being turned away from interview because they had not brought evidence of qualifications. MOD subsequently self-reported a breach for doing this, following its investigation into the case.
<b>Case 6:</b> Ministry of Justice (MoJ)	The Ministry of Justice assessed candidates at both sift and interview on criteria that had not been advertised in one campaign, in breach of the Recruitment Principles.
<b>Case 7:</b> Ministry of Justice (MoJ)	We received a complaint within scope of both the Recruitment Principles and the Civil Service Code (see page 30 for Code complaints). A panel of Commissioners considered this case and found two serious breaches of the Recruitment Principles. The first related to a failure to declare adequately and then manage a clear conflict of interest (panel chair and one candidate being related). The second was a serious record keeping breach which has meant that MoJ cannot evidence whether appointment in this case has been made on merit in line with the legal requirement.
<b>Case 8:</b> UK Debt Management Office	The Commission has found the UK Debt Management Office to be in breach of the Recruitment Principles as it advertised a role without information on salary being available to all potential applicants.

## Compliance

In our 2017/18 Annual Report we set out the details of our new approach to compliance. This has been developed since then and is now an embedded and mature process.

A Commissioner Compliance Group undertakes an assessment of performance for the reporting year and assesses likely risk for the year ahead. The Compliance Group is informed by a range of inputs, including:

- the findings of the annual audit undertaken by the Commission's secretariat, which looks at a sample of recruitment campaigns and Exceptions to determine whether the records demonstrate compliance with the Recruitment Principles
- data collected from each organisation through the Commission's quarterly data survey, which captures the number of appointments made, including by Exception, and aggregated diversity data

- data from the Civil Service People Survey about the Civil Service Code and data held by the Commission about recruitment complaints and Civil Service Code Appeals
- the context in which the organisation is operating and any positive actions they are taking related to recruitment, diversity or the Civil Service Code

## Civil Service Code

### Promoting the values

The Civil Service People Survey 2019 included three questions relating to the Civil Service Code. Each of these questions reported lower results than last year, and 2017. While awareness of the Code remains relatively high across the Civil Service, falls in how to raise a concern and confidence that a concern would be investigated properly are worrying. We will be watching this closely to see if this is a trend over the longer term.

**Table 2** Awareness of the Civil Service Code

Question Text (from the People Survey)	2017	2018	2019
Are you aware of the Civil Service Code? (% answering yes)	92%	92%	89%
Are you aware of how to raise a concern under the Civil Service Code? (% answering yes)	68%	67%	66%
Are you confident that if you raise a concern under the Civil Service Code (in the organisation) it would be investigated properly? (% answering yes)	70%	71%	67%

In the shorter term we will review the People Survey results and, where an organisation's response shows signs of weakness in any of the areas, we will offer support and training. We will also continue to hold regular review sessions with Civil Service Employee Policy, who lead on Code policy.

### Code Appeals and Investigations 2019/20

In 2019/20 we received 97 Code complaints (85 in 2018/19). The majority of cases were either out of scope or required a departmental investigation to be undertaken before we could consider whether there were grounds to investigate. We have one case outstanding this year and we will report on this in due course. All complaints received are published on our website,<sup>2</sup> with decision notices being produced for cases investigated by a Commissioner panel.

In 2019/20 a Commissioner panel investigation was only necessary for one case:

#### Ministry of Justice

This complaint was considered by a panel of Commissioners alongside the Recruitment Principles complaint arising out of the same case (see page 28). A breach of the Civil Service Code was found when the panel chair in a recruitment competition was related to one of the candidates. This conflict of interest was not declared adequately or managed. The chair was found to be in breach for failing to adhere to the Code behaviours of objectivity, integrity and impartiality during the recruitment campaign.

## Strategy

### Diversity

We have continued with our valuable work on diversity and inclusion this year, starting with the April 2019 Strategy Day, which focused on disability and how we could use our influence to attract more disabled candidates to apply for roles in the SCS.

We have developed toolkits for Commissioners to use at competition planning meetings, which include examples of best practice from departments who use inclusive wording to attract disabled applicants to apply for Civil Service roles. Working with departments and outside organisations with relevant expertise we have produced a standard disability declaration form, reworded to encourage applicants to declare their disability with greater confidence.

There is still a lot that we can do to encourage disabled applicants, and we are working closely with our associate adviser on disability issues, John Knight, to plan a number of actions and events for 2020/21. John was a Public Appointments Assessor and has lived experience of disability. Based on his experience, he has provided a robust and constructive challenge to our work in this area which has informed the development of the Commission's strategy to improve disabled people's representation in the SCS, through influencing the attraction stage of recruitment campaigns. We are confident that we will be able to report good progress next year.

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<sup>2</sup> <https://civilservicecommission.independent.gov.uk/publications/code-complaints/>

The diversity forum met four times this year, in June, July, September and October, with the strategic aims of improving our own data capabilities, making sure that diversity stays at the table by increasing the Commission's presence, working with networks and re-thinking language and creating challenge by recognising and being at the different outlets for work in diversity across the Civil Service such as the Task and Finish Group and the People Board.

We have held a number of events this year to raise the Commission's profile, including a demystifying event in September and an event for search firms in October (see Highlights of 2019/20, Promotion and Visibility on page 17).

The November Strategy Day focused on issues around chairing competitions including a live question about assessing the integrity and impartiality of candidates, job shares and psychometric assessments, as well as a discussion about the Commission's role.

In addition to these platforms to engage and listen, we invited individuals from across the SCS to share their personal experience of talent management and progression. What we heard is that people are frustrated with the pace of change, there are a lot of initiatives and schemes; the rhetoric is there. The stark reality is that people with protected characteristics feel that they are overlooked and that there is little hope things will change anytime soon.

To progress, there is a growing sense that leaving the Civil Service is the only way to realise individual career potential but many feel loyal and therefore conflicted about their next steps. The Civil Service cannot afford to lose people because it moved too slowly, too late, or not at all. We are thankful to everyone who has participated in these conversations for their candour; we can, must and will do more.

Looking forward, the forum will focus on two priority areas over the next 12 months:

- Inflow innovation – we will work with recruiting teams to drive best practice to ensure the recruitment process does not limit access or opportunity. We will encourage test and learn activity that aims to increase more diverse long and shortlists and we will publish data on the diversity performance of internal search teams and external search firms putting forward candidates.
- Recognising success – we will develop a Civil Service Commission Diversity Award focusing on identifying departments that achieve best in class performance for recruiting diverse talent at all levels. We will publish the winning case studies and examples to highlight what works well and why for others to adopt or adapt to suit their department's requirements.

## Management information

The following tables and graphs provide management information on the compliance rating for each department and agency we regulate and the numbers and make up of applicants for Civil Service appointment during 2019/20.

### Civil Service-wide

**Table 3** Ratings, trajectories, and breaches for 2019/20

Organisation	Rating	Trajectory	Breaches
Advisory, Conciliation and Arbitration Service	Fair	Static	1
Animal and Plant Health Agency	Good	Static	0
Cabinet Office	Poor	Static	10
Centre for Environment, Fisheries and Aquaculture Science	Fair	Static	1
Charity Commission	Fair	At risk	0
Companies House	Fair	Likely to improve	1
Competition and Markets Authority	Good	Static	0
Crown Commercial Service	Fair	Static	0
Crown Office and Procurator Fiscal Service	Fair	Likely to improve	0
Crown Prosecution Service	Fair	Likely to improve	2
Defence Equipment and Support	Fair	Static	2
Department for Business, Energy and Industrial Strategy	Good	Static	1



Organisation	Rating	Trajectory	Breaches
Department for Digital, Culture, Media and Sport	Fair	Static	2
Department for Education	Good	Static	0
Department for Environment, Food and Rural Affairs	Poor	Likely to improve	2
Department for Exiting the European Union (until 31 January 2020)	Good	Static	1
Department for International Development	Fair	Likely to improve	2
Department for International Trade	Fair	Likely to improve	2
Department for Transport	Poor	Likely to improve	2
Department for Work and Pensions	Good	Static	3
Department of Health and Social Care	Fair	Static	4
Estyn – Her Majesty’s Inspectorate for Education and Training in Wales	Good	Static	0
FCO Services	Fair	Static	2
Food Standards Agency	Fair	Static	1
Foreign and Commonwealth Office	Fair	Static	1
Forestry Commission	Fair	At risk	2
Government Actuary’s Department	Fair	At risk	2
Government Commercial Function	Fair	Static	2
Government Economic Service	Fair	Static	0

Organisation	Rating	Trajectory	Breaches
Government Legal Department	Good	Static	0
Government Social Research	Fair	Static	0
Health and Safety Executive	Fair	At risk	2
Her Majesty's Revenue and Customs	Fair	At risk	8
Her Majesty's Treasury	Fair	Static	5
Home Office	Fair	At risk	8
Institute for Apprenticeships and Technical Education	Fair	At risk	1
Intellectual Property Office	Fair	At risk	2
Land Registry	Good	At risk	0
Medicines and Healthcare Products Regulatory Agency	Fair	Static	3
Met Office	Fair	At risk	3
Ministry of Defence	Fair	Likely to improve	2
Ministry of Housing, Communities and Local Government	Good	Static	0
Ministry of Justice	Poor	Likely to improve	5 <sup>3</sup>
National Crime Agency	Fair	Static	0
National Savings and Investments	Fair	Static	0

<sup>3</sup> One was a Civil Service Code breach.

Organisation	Rating	Trajectory	Breaches
Northern Ireland Office	Fair	Static	2
Office for Standards in Education (Ofsted)	Fair	Static	0
Office of Gas and Electricity Markets (Ofgem)	Fair	At risk	1
Office for National Statistics	Fair	Static	1
Office of Qualifications and Examinations Regulation (Ofqual)	Fair	Likely to improve	1
Office of Rail and Road	Fair	Static	1
Planning Inspectorate	Fair	At risk	2
Public Health England	Fair	Static	4
Registers of Scotland	Fair	Static	0
Rural Payments Agency	Fair	Likely to improve	0
Scottish Courts and Tribunals Service	Fair	Likely to improve	1
Scottish Prison Service	Fair	Static	2
Serious Fraud Office	Fair	At risk	2
The Insolvency Service	Fair	Likely to improve	0
The National Archives	Fair	Likely to improve	0
The QEII Centre	Poor	Static	1
The Scottish Government	Fair	Static	3

Organisation	Rating	Trajectory	Breaches
The Veterinary Medicines Directorate	Fair	Static	0
The Water Services Regulation Authority (Ofwat)	Fair	At risk	4
UK Debt Management Office	Fair	At risk	2
UK Export Finance	Fair	Static	0
UK Hydrographic Office	Fair	Static	0
UK Space Agency	Fair	Static	1
Valuation Office Agency	Fair	At risk	1
Welsh Government	Good	Static	2
Welsh Revenue Authority	Good	Static	0
Wilton Park Executive Agency	Fair	At risk	4

### Commissioner-chaired competitions

**Table 4** Number of commissioner-chaired competitions and appointments made

	Posts advertised	Appointments made
SCS 2 (Director)	127	115
SCS 3 (Director General)	28	25
SCS 4 (Permanent Secretary)	6	5
<b>Total</b>	<b>161</b>	<b>145</b>

**Figure 1** Ethnicity breakdown of key stages of senior competitions

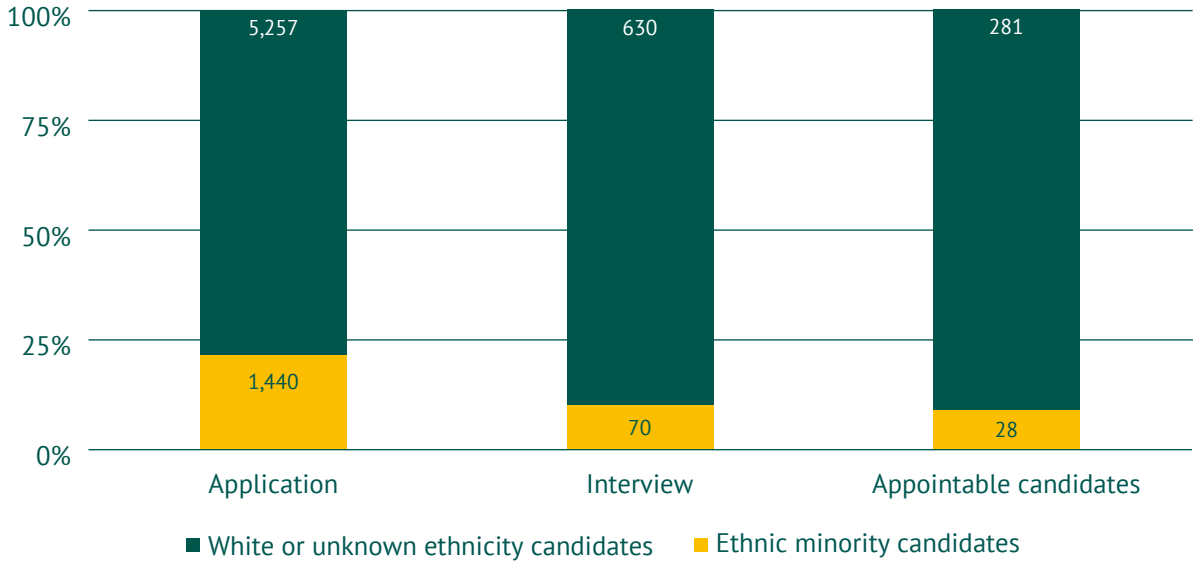


Figure 2 Gender breakdown of key stages of senior competitions

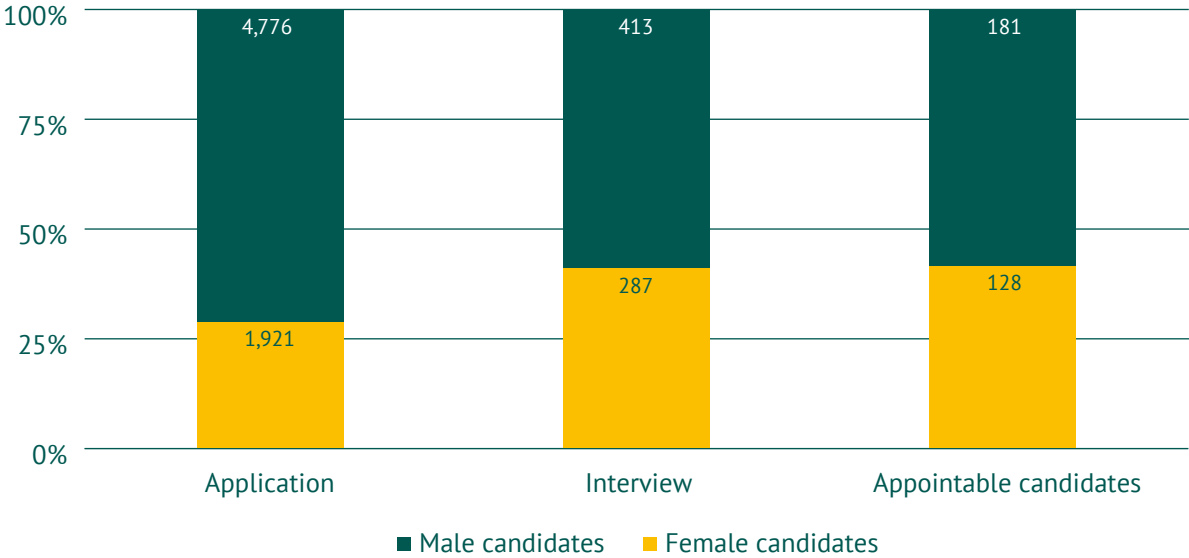
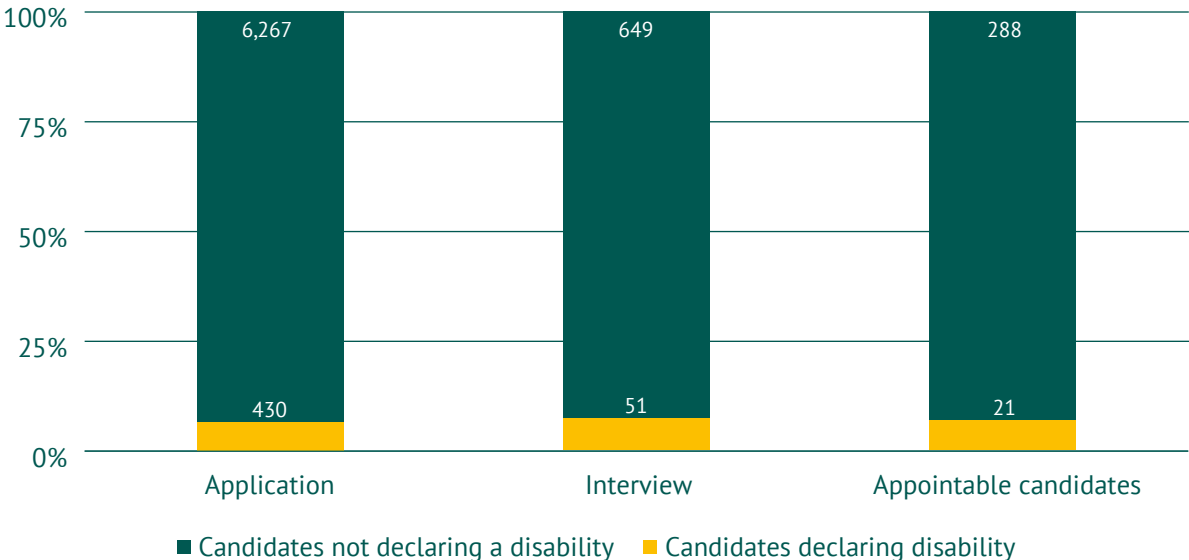


Figure 3 Disability breakdown of key stages of senior competitions



## Recruitment below SCS pay band 2

Figure 4 Recruitment below SCS pay band 2

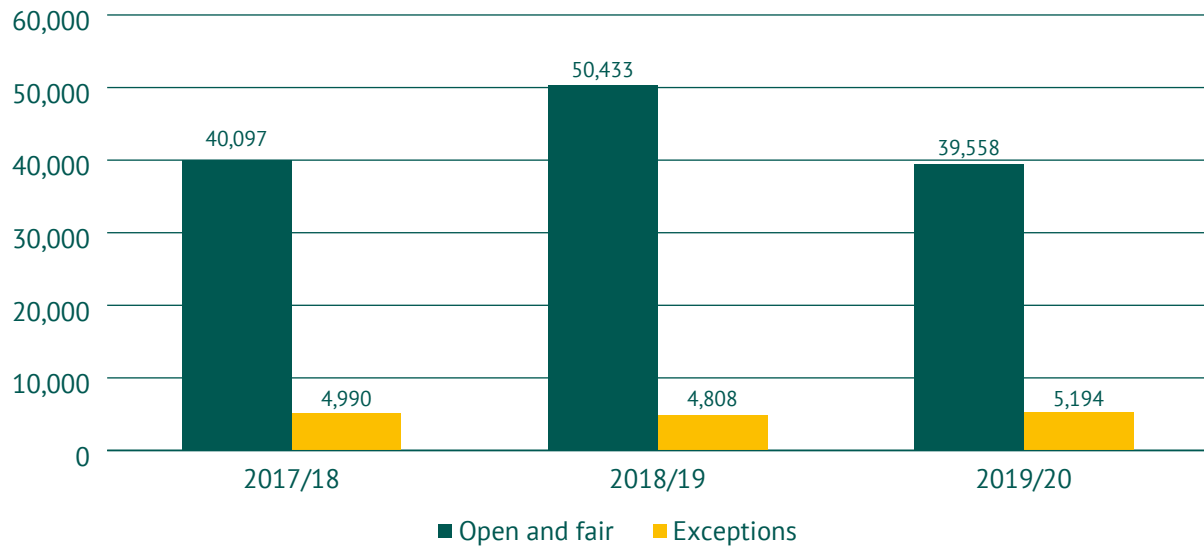


Figure 5 Ethnicity diversity of successful candidates by grade

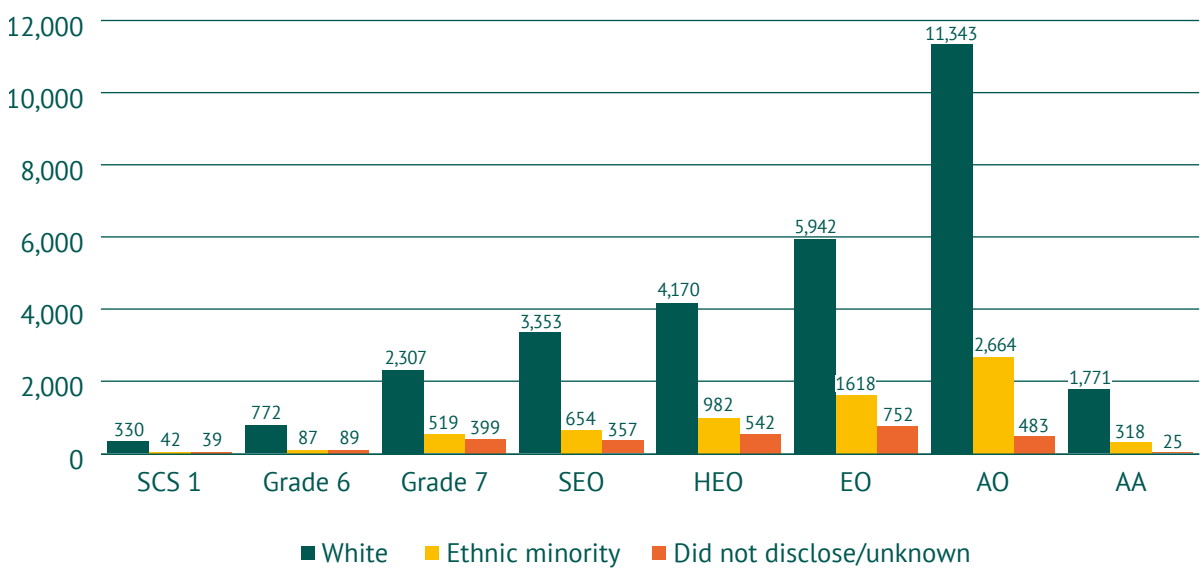


Figure 6 Gender diversity of successful candidates by grade

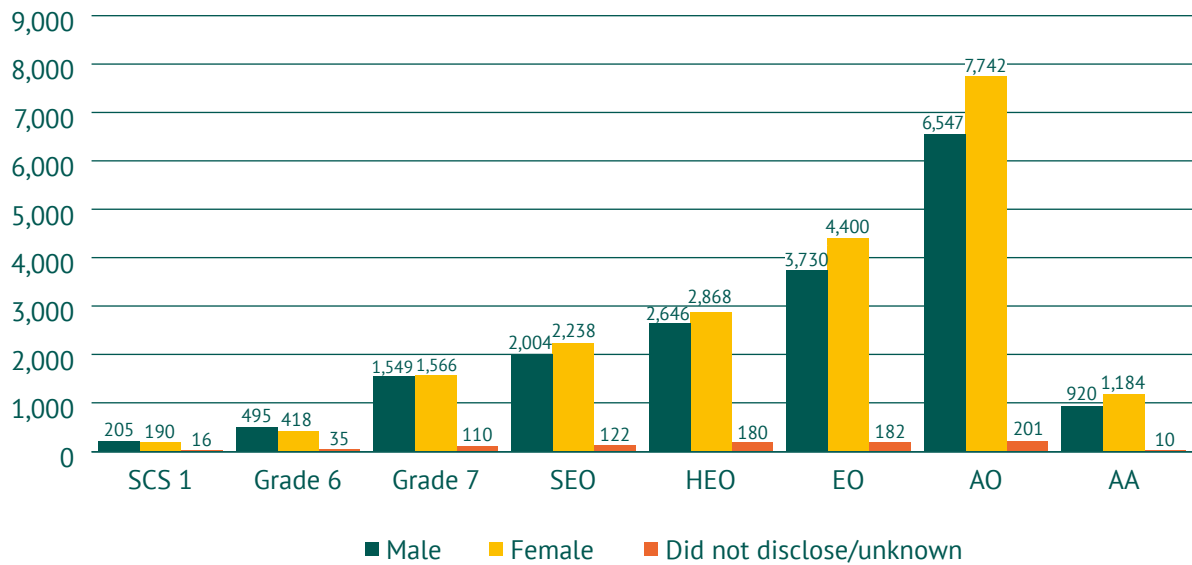
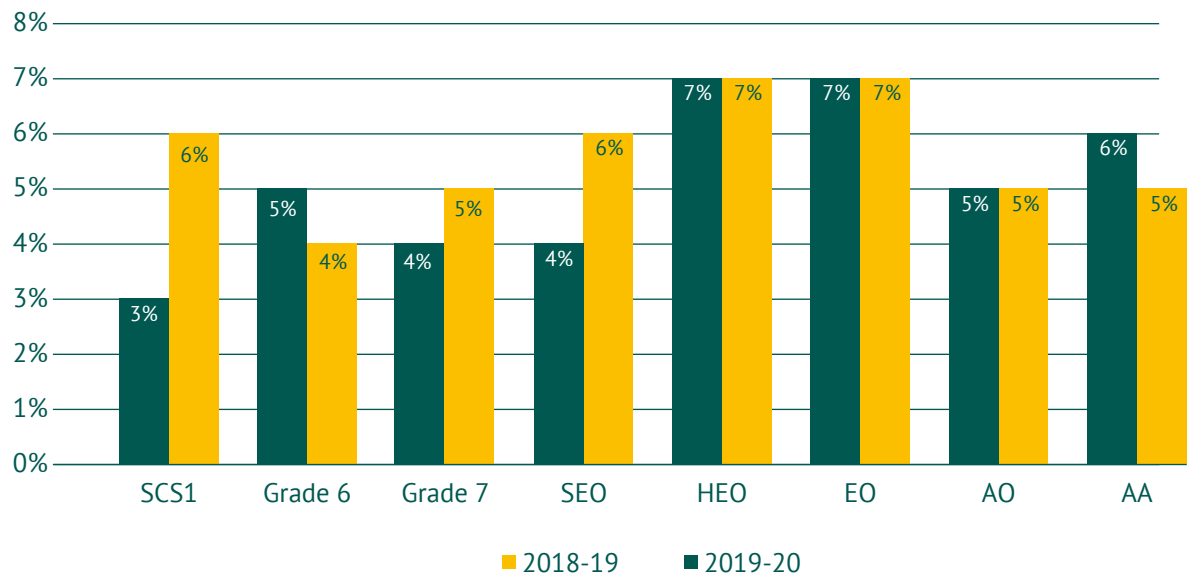


Figure 7 Disability breakdown of successful candidates by grade





## Who we are

### The Commission

The Commissioners collectively form the Civil Service Commission and its board. They are appointed by Her Majesty the Queen for a single five-year term of office. They bring a range of expertise of the private, public and voluntary sectors as well as an independent perspective.

The Commission meets regularly, along with the Chief Executive and members of the secretariat, to consider business and strategic matters, and takes informed decisions in pursuit of its regulatory functions. The Chief Executive provides a business update to the Commissioner meetings twice each year in September and March.

The Commission holds two Strategy Days each year in April and November. In April we held our meeting at the Department for International Trade and focused on disability. At our November Strategy Day we discussed the Commission and its independence and issues raised in competitions including job shares, assessing integrity and impartiality and psychometric assessments.

As part of enhancing relationships with departments the Commission has continued to hold its monthly meetings at different departments. Permanent Secretaries have been generous in hosting us and discussing their recruitment successes, challenges and approach to enhancing the diversity of applicants. In 2019/20 the Department for Work and Pensions, Foreign and Commonwealth Office, Ministry of Defence and Department for Environment, Food and Rural Affairs have all hosted monthly Commissioner meetings.

If the Covid-19 pandemic allows, we will continue taking the opportunity to visit and hold both our Commissioner meetings and Strategy Days within departments over the next year, inviting Permanent Secretaries and HR Directors to share with us their recruitment plans and challenges. A number of venues had been agreed but plans were put on hold and will be reviewed in due course, once current restrictions allow.

## The Commissioners

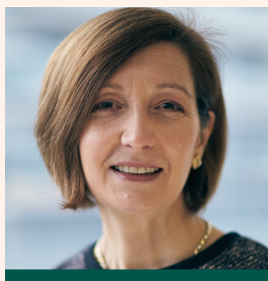


### **Jane Burgess**

The majority of Jane's career has been in the private sector; she was formerly Partners' Counsellor and a main board director at John Lewis Partnership. She is currently a lay member of the House of Commons Committee on Standards and an ordinary member of the Competition Appeal Tribunal.

She has extensive experience of senior executive recruitment and enabling people to have their voice heard.

Jane was appointed as a Civil Service Commissioner on 1 October 2017.



### **Jan Cameron**

Jan has spent her career in HR in the private sector, primarily in large retail organisations including Sainsbury's and Homebase. Until recently she was the Group Services Director for the executive search firm Norman Broadbent plc. She currently serves as a member of the Employment Tribunal for HM Courts and Tribunals Service and undertakes HR consultancy work.

She has extensive experience of senior executive recruitment with a particular interest in governance and employment law.

Jan was appointed as a Civil Service Commissioner on 1 October 2015 and her term is due to conclude on 30 September 2020.



### **Natalie Campbell**

Natalie Campbell is an award-winning businesswoman and HarperCollins author, who was recognised in the Management Today 35 Women Under 35 and City AM Power 100 Women lists.

In 2011 she co-founded A Very Good Company (AVGC), a global social innovation agency that worked with brands to drive social change. She was appointed Director of Insight and Innovation for the Royal Foundation and in March became Chief Executive Officer of Belu Water Ltd. Natalie is a board member of the London LEAP, London's economic strategy board, the National Lottery Communities Fund and the Old Oak and Park Royal Development Corporation (OPDC).

Natalie was appointed as a Civil Service Commissioner on 1 June 2017.



### **Isabel Doverty**

Isabel Doverty was formerly Global Head of Human Resources, Wholesale Banking, at Standard Chartered Bank. She is also an independent member of the State Honours Committee and works as a Facilitator for the Truth Project, part of the Independent Inquiry into Child Sexual Abuse.

Throughout her private sector career she has held senior HR roles in the energy and financial services sectors, specialising in employee relations, organisational change, and executive level recruitment.

Isabel was appointed as a Civil Service Commissioner on 1 October 2015 and her term is due to conclude on 30 September 2020.



### **Margaret Edwards**

Margaret has held senior roles in the public sector, including Chief Executive roles in the NHS and as Director General in the Department of Health. She then had a successful career with McKesson International. Currently Margaret is chair of the Civil Service Pension Board and previous non-executive roles have included Chair of the National Oversight Group for the High Secure Hospitals, member and interim chair of the Senior Salaries Pay Review Body and a NED role with the Government Internal Audit Agency.

She has a track record of designing and delivering public sector reform and delivering national targets. She is particularly interested in aligning individual and corporate objectives and the design of total reward packages.

Margaret was appointed as a Civil Service Commissioner on 1 October 2017.



### **Rosie Glazebrook**

Rosie has a sales and marketing background in media, data and health organisations. She has wide board experience including as a Board Member (Food Standards Agency, Public Health England and NHS bodies) alongside consumer-related roles. She is currently co-chair, Copyright Licensing Agency and chair, Publishers' Licensing Services. She also chairs an NHS Research Ethics Committee and is a council member at General Optical Council and a trustee at Book Aid International.

Rosie has particular interests in strategy, governance, data, ethics and business development.

Rosie was appointed as a Civil Service Commissioner on 1 June 2017.



### **Sarah Laessig**

Sarah is a Non-Executive Director of Valoot Technologies, Local Pensions Partnership (LPP), and United Trust Bank (UTB). She is also a Director of CG Pension Trustees Ltd and member of the Board of Advisors of data.world. Sarah is also a Commonwealth Scholarship Commissioner and a Visiting Executive at the London Business School. She previously enjoyed an executive banking career at Citigroup.

Sarah was appointed as a Civil Service Commissioner on 1 October 2015, and her term is due to conclude on 30 September 2020.



### **June Milligan**

June has extensive experience as a senior civil servant; her last role was Director General Local Government and Communities and board member in the Welsh Government. She has also held roles as a diplomat and as Head of Department at the Foreign and Commonwealth Office. She is currently a member of the Court of the University of Glasgow and was, until May 2019, an Equality and Human Rights Commissioner.

June's areas of interest and expertise are people-centred: in leadership, diversity, governance and ethics.

June was appointed as a Civil Service Commissioner on 1 June 2017.



### **Joe Montgomery**

Joe has held senior executive and non-executive roles in the private sector, focusing on property and regeneration, as well as an executive career in both central and local government including as Director General at the Department of Communities and Local Government and Director General, Office of the Deputy Prime Minister.

Joe is also chair of the Youth Futures Foundation.

Joe was appointed as a Civil Service Commissioner on 1 June 2017.



### **Ian Watmore**

Ian's career is diverse, spanning private, public, sports, university, church and third sectors.

He spent 24 years in the private sector culminating as Accenture UK CEO. He then worked for seven years in the Civil Service, holding three different Permanent Secretary posts under three Prime Ministers.

Ian has held several board positions in sports administration. He is on the council of Chester Cathedral, and he has previously served on boards at the Information Commissioner's Office, Cambridge University and was chair of the Migraine Trust for 10 years.

Ian was appointed as First Civil Service Commissioner on 1 October 2016.



### **Kevin Woods**

Kevin was Director General of Health and Chief Executive of the Ministry of Health in New Zealand between January 2011 and December 2013, prior to which he was the Chief Executive of NHS Scotland and Director General for Health in the Scottish Government. Previously, he held senior management roles in the health service and the Scottish Government and was also the William R Lindsay Professor of Health Policy and Economic Evaluation at the University of Glasgow.

He is also a Trustee of Leuchie House, a charity in East Lothian which provides respite care for people with neurological conditions.

Kevin was appointed as a Civil Service Commissioner on 1 October 2015 and his term is due to conclude on 30 September 2020.

## The secretariat

The secretariat supports the individual Commissioners as well as the collective Commission. The Chief Executive and six team leaders made up the senior leadership team and on 31 March 2020 there were 18 members of staff employed in the Commission secretariat (17.3 FTE). The secretariat is staffed entirely by civil servants on secondment from the Cabinet Office and new recruits are employed by the Cabinet Office prior to being seconded to the Commission.

Our staff are vital to the success of the Commission and we have continued to develop and invest in the team and its capabilities by recruiting external staff with diverse skills such as digital, research and analysis and by promoting learning and development opportunities.

This year, two members of the secretariat were successful in gaining places on the Positive Action Pathway programme for B2 (HEO/SEO) level staff, a cross-government programme for civil servants in under-represented groups, specifically open to ethnic minority, women, disabled and LGB&TI civil servants.

As part of a Cabinet Office development programme, another member of the secretariat was seconded for 10 weeks to a project implementation team to gain wider experience, and other members of the secretariat have taken advantage of the wide range of online courses available on the Civil Service Learning site, including courses in risk management, project management and finance.

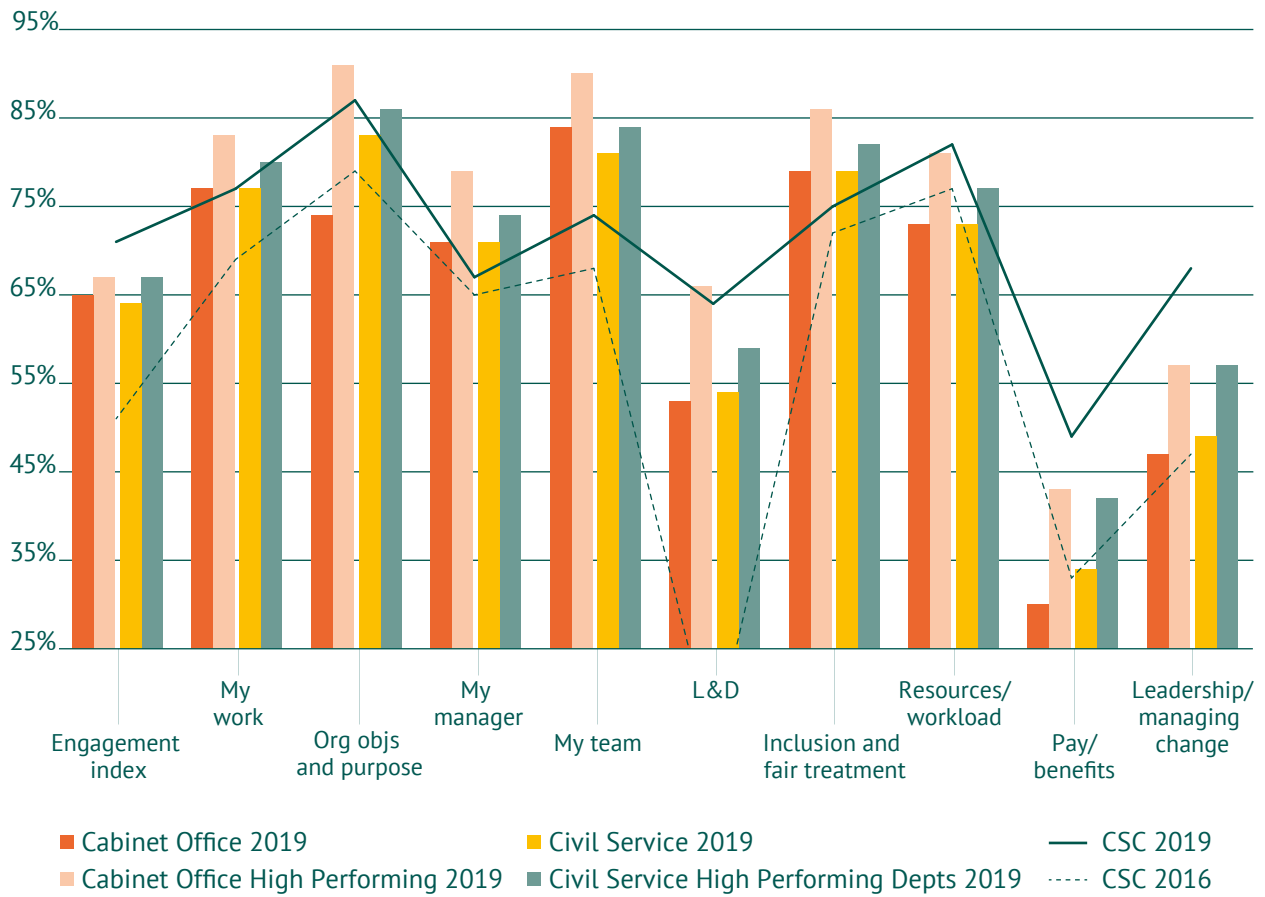
We are always proud when we see members of the team develop their skills in ways that benefit not just our work but them as individuals and with a view to their future Civil Service careers. We take particular pride when that development leads them to new things either on promotion or as a stepping stone role on their path to success.

In 2019/20 a total of 10 members of staff left the Commission, with seven of them taking up new roles on promotion in other government departments, and one retiring.

Our People Survey 2019 results were down slightly on the 10 key themes areas compared to the previous year. However, overall the results remain positive, compared to the Cabinet Office and its high-performing units and wider Civil Service and high-performing departments in 2019 and compared to the results in 2016 as shown in the Figure 8 below. We have continued to look hard to identify opportunities for culture change and make improvements in the way we work. Early actions included inviting the secretariat to come up with an office charter, setting out our shared values and improved ways of working together and introducing hot-desking as a way of developing a greater understanding of the work of different teams. The reintroduction of regular all-staff meetings has been a key element of building the new team and of particular importance during the current remote working arrangements because of the Covid-19 pandemic.



Figure 8 People Survey results



## Corporate management

### Transparency and outreach

#### Open event



The Commission is required by its Memorandum of Understanding with the Cabinet Office to hold an annual open meeting.

In February we held a successful Demystifying the Civil Service Code event (see also Highlights of 2019/20, Promotion and visibility page 17).

#### Work experience



We have developed further our relationship with a secondary school where the pupils would not naturally see the Civil Service as a future employer. During 2019/20 we again hosted a number of 16 year old students on work experience, allowing them to see first-hand how Parliament, government and the Civil Service work. We plan to continue and expand this activity in the future.

#### Information requests



The Commission publishes a large amount of information about its work. In addition to reflecting our commitment to openness and transparency, this is one way in which we meet our statutory responsibilities under the Freedom of Information Act 2000.

The Freedom of Information Act requires public authorities to adopt publication schemes setting out the types of information they will make available routinely. We have adopted the model publication scheme approved by the Information Commissioner and the information on our website reflects this.

In 2019/20 we received 36 requests under the Freedom of Information Act (43 in 2018/19) and three requests under the Data Protection Act 1998 (three in 2018/19). Thirty-six of the Freedom of Information requests were responded to within the statutory deadline: 100% (2018/19: 98%). Two requests under the Data Protection Act were responded to within the statutory deadline; the third response remained outstanding at year end but was within the statutory deadline (2018/19: 100%). Where information is released by the Commission in response to a Freedom of Information request, this information is usually published on our website.<sup>4</sup>

<sup>4</sup> <https://civilservicecommission.independent.gov.uk/?s=freedom+of+information+requests>

## Statutory Disclosures

### Risk

The main risks to the Commission's operations during 2019/20 related to budget and workload. For more details, see page 58.

At the very end of the reporting period there was a sudden downturn in the numbers of new recruitment competitions being launched due to the Covid-19 pandemic. Similarly, several competitions in train were paused or cancelled. This poses a risk of a spike in activity later in 2020/21 when four of the current Commissioners come to the end of their five-year appointments, particularly as commencement of the recruitment process for new Commissioners has been delayed.

### Accounts preparation and going concern basis

The accounts attached to this report have been prepared in accordance with the Accounts Direction issued by the Minister for the Cabinet Office under the Constitutional Reform and Governance Act 2010.

The Commission's accounts have been prepared on the assumption that the Civil Service Commission is a going concern on the grounds that where the Commission has outstanding current liabilities at the end of the year these will be funded in the next year by annual Grant-in-Aid. Budget and expenditure plans for 2020/21 have been agreed by the Cabinet Office. In common with government departments, the future financing of the Commission's liabilities is accordingly

to be met by future grants of supply to the Cabinet Office and the application of future income, both to be approved by Parliament. There is no reason to believe that future approvals will not be forthcoming.

### Future developments

We will review our response to the organisational challenges presented by the restrictions brought about by the Covid-19 pandemic and capture lessons learnt. In particular we will look at how technology can allow elements of the recruitment process to be undertaken virtually, and meet the organisational challenges and opportunities ahead.

Our focus will continue to be on how to increase applications from people with a disability and those from BAME backgrounds, and in anticipation of competition numbers increasing next year, we will recruit and train new Commissioners.

We plan to recruit four or five new Commissioners during 2020/21 and begin the search for a new First Commissioner, as the incumbent's term concludes at the end of September 2021.

### Sustainability, environmental, social and community initiatives

The Commission has adopted the Cabinet Office's policy on volunteering which aims to encourage staff to participate in volunteering activity in the community and enable staff to build their skills through practical experience. Staff are eligible for up to five days' paid leave per year for volunteering activity as part of their personal development.

We are committed to improving the work/life balance of our staff and we value diversity. We try to accommodate different working patterns and encourage our staff to join the diversity networks of the Cabinet Office or their parent department.

We have Codes of Practice for both Commissioners and staff that require them to observe the highest standards of integrity, honesty, objectivity and impartiality; and to offer the highest standards of service to the public.

The Commission contributes to the Cabinet Office's commitment to making a continuing contribution to the goals, priorities and principles of the UK Government's Sustainable Development Strategy, Securing the Future. Details of the initiatives to reduce energy consumption in the Cabinet Office can be found on the government's website.



**Peter J Lawrence OBE**  
Chief Executive  
Civil Service Commission  
15 July 2020

# Accountability Report

## Corporate Governance Report

### Director's Report

#### Commissioners

Commissioners serve for a five-year non-renewable term of appointment (please see pages 42-47 for full list of Commissioners).

#### Register of Commissioners' interests

Commissioners record any interests such as company directorships and other significant interests in the Register of Interests, published on our website.<sup>5</sup>

#### Data protection and incidents involving personal data

General Data Protection Regulations (GDPR) came into force 25 May 2018, supplemented by the Data Protection Act 2018, which requires the Commission, as an organisation that processes personal data, to process that information in accordance with the data protection principles and to register with the Information Commissioner's Office.

For a small organisation, the Commission manages a large amount of personal data. Most of this relates to Civil Service recruitment and complaint handling and is held so that the Commission can discharge its role of providing assurance that civil servants are selected on merit on the basis of fair and open competition. The Commission also holds data for the purpose of investigating complaints under the Civil Service Code and, for administrative purposes, holds data relating to its staff, contractors and Commissioners. The Commission also provided secretariat services throughout 2019/20 to OCPA and ACOBA and so manages further large amounts of personal data for them.

There were eight personal data incidents in 2019/20 (five in 2018/19) that involved unauthorised disclosure of data to unintended recipients. The incidents were not deemed to fall within the criteria for reporting to the ICO. Article 15 of the General Data Protection Regulation creates a right, commonly referred to as subject access, which is most often used by individuals who want to see a copy of the information an organisation holds about them (see page 50).

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<sup>5</sup> <https://civilservicecommission.independent.gov.uk/about-the-commission/how-we-work/>

## Statement of the Commissioners' and Accounting Officer's responsibilities

The Principal Accounting Officer of the Cabinet Office has designated the Commission's Chief Executive as Accounting Officer for the Civil Service Commission.

The responsibilities of an Accounting Officer – including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Civil Service Commission's assets – are set out in *Managing Public Money*, published by HM Treasury.

Under the Constitutional Reform and Governance Act 2010, the Civil Service Commissioners are required, for each financial year, to prepare accounts prepared on an accruals basis, giving a true and fair view of the state of affairs of the Civil Service Commission and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the Annual Report and Accounts, the Commissioners and the Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual (FReM) and, in particular, to:

- observe the Accounts Direction issued by the Minister for the Civil Service (with the consent of HM Treasury), including the relevant accounting and disclosure requirements and apply

suitable accounting policies on a consistent basis;

- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in FReM have been followed and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going-concern basis.

The Accounting Officer can confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and as Accounting Officer takes personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

As far as the Accounting Officer is aware:

- there is no relevant audit information of which the auditors are unaware;
- the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Civil Service Commission's auditors are aware of, and have access as required to, that information

## Governance Statement

The Civil Service Commission is independent of government and the Civil Service. It is an executive Non-Departmental Public Body (NDPB), sponsored by the Cabinet Office, which was created in its current form on 11 November 2010 by the commencement of Part 1 of the Constitutional Reform and Governance Act 2010.

As Accounting Officer, I have responsibility for maintaining effective systems of corporate governance controls – both structural and procedural – to support the achievement of the Commission’s policies, aims and objectives while safeguarding the public funds and assets for which I am responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

## Governance Framework

The Commission is made up of the Commissioners and holds monthly meetings chaired by the First Civil Service Commissioner. These meetings are supported by the secretariat, headed by the Commission’s Chief Executive. Together, the Commissioners and the secretariat constitute the Civil Service Commission.

The effectiveness of the Commission is regularly validated through the work of Commission led sub-groups which report to Commission meetings.

The Commission’s budget is set by the Cabinet Office; expenditure against it is reviewed quarterly by the Audit and Risk Committee (ARC). Expenditure is

reviewed on a monthly basis by the Chief Executive and on a day-to-day basis by the Commission’s finance team.

During 2019/20 the Commission had one standing committee to advise the Commissioners on specific areas or to exercise functions on behalf of the Commissioners:

- the Audit and Risk Committee, established to support the board in its responsibilities for issues of risk control and governance

Three working groups were established during 2017/18 and continued to meet regularly:

- The diversity forum (previously the diversity working group), established to understand and plan how the Commission can influence the representation of people from a BAME background and/or those with a disability at the most senior levels
- The compliance group was established to develop a new approach to compliance (used for the first time in 2017/18) based on a balanced scorecard approach, taking more account of the context in which individual departments and agencies are working
- The communications working group (previously the Annual Report and Accounts working group), set up to explore ways of better promoting the work of the Commission, including creating a new website, producing short films and organising and promoting Commission events

The Life Chances Working group was established following the November 2018 Strategy Day, to progress the ideas that will allow the Commission to influence life chances opportunities across the Civil Service.

Membership of the standing committees during 2019/20 is listed at page 57.

**“It’s been a privilege to chair the Commission’s compliance group and I’m proud of the work we have done to develop a more comprehensive regime to monitor standards in every area and at all levels within the Civil Service.”**

**Jan Cameron,**  
Civil Service Commissioner

Except as set out below, the Commission complies with the Corporate Governance in Central Government Departments: Code of Good Practice 2017 Compliance Checklist, which is regarded as best practice. The exceptions are:

- all Commissioners are non-executives. There are no additional non-executive members of the board
- the Chief Executive, as Accounting Officer, is responsible for writing the Governance Statement, rather than the board. The statement is reviewed by the Audit and Risk Committee and cleared by a meeting of the Commissioners before publication

- our Memorandum of Understanding with the Cabinet Office is not automatically renegotiated when key personnel leave (including when there is a change of government). We have meetings with the sponsor team in the Cabinet Office and an agreement that the Memorandum of Understanding will be reviewed every three years. The review due in 2013/14 was delayed, at the Cabinet Office’s request pending the Triennial Review of the Commission. The Commission is committed to working closely with the Cabinet Office to have a revised Memorandum in place for 2020/21

In the majority of areas, the Commission follows Cabinet Office guidelines and procedures for internal control. Where the Commission’s policy differs from the Cabinet Office’s, this is set out in Standing Orders which are published on our website.<sup>6</sup> Day-to-day working practices of the Commission are decided by the Commissioners and these are known as Standing Orders. The key Standing Orders are the Code of Practice for Commissioners and staff, financial and operational delegations, responsibilities from the Commission to the Chief Executive and Audit and Risk Committee terms of reference.

The Commission is registered on the Information Commissioner’s register of data controllers.<sup>7</sup> We have reviewed our procedures for information security against those used by the Cabinet Office and our policy on data retention in light of the new General Data Protection Regulation which came into force in May 2018.

<sup>6</sup> <https://civilservicecommission.independent.gov.uk/about-the-commission/how-we-work/>

<sup>7</sup> <https://ico.org.uk/ESDWebPages/Entry/Z2480635>



## Commissioner meeting and committee performance

The board of Commissioners and standing committees complied with the published best practice requirements as set out in Managing Public Money.

The Commissioners met monthly during 2019/20 (except in May, August and January). The meetings in April 2019 and November 2019 took the form of Strategy Days.

The Audit and Risk Committee (ARC) met during 2019/20, in April, May, September, December and March. The committee reviewed the risk register, the reports of reviews conducted by the Commission's internal auditors, reports from the National Audit Office, staffing arrangements and expenditure against budget. The working groups met as and when required; there was no set schedule.

All Commissioners attended all scheduled meetings and standing committee meetings except as follows:

- Sarah Laessig was unable to attend the December Commissioner meeting
- Kevin Woods was unable to attend the December and February Commissioner meetings
- Isabel Doverty was unable to attend the June and December Commissioner meetings
- Jane Burgess was unable to attend the July, September, December and March Commissioner meetings

- Margaret Edwards was unable to attend the October and November Commissioner meetings
- Rosie Glazebrook was unable to attend the October, November and March Commissioner meetings
- June Milligan was unable to attend the June Commissioner meeting
- Joe Montgomery was unable to attend the October and February Commissioner meetings
- Natalie Campbell was unable to attend the March Commissioner meeting

## Standing committee membership

### Audit and Risk Committee

Sarah Laessig (chair)

Isabel Doverty

Margaret Edwards

ARC is also attended by the Chief Executive, relevant members of the secretariat and members of both the internal audit team from the Government Internal Audit Agency and the National Audit Office.

### Data quality

The Commissioners have a number of data sources available to them to enable them to carry out their work.

In providing assurance that selection for appointment to the Civil Service is on merit, following a fair and open competition, the Commission obtains most of its data through compliance monitoring audits of departmental recruitment (see page 29). Compliance audits for 2019/20 were carried out for all 72 departments and agencies regulated by the Commission. The Commissioners are satisfied that the quality of the analysis is high. The quality of the base data provided by departments is more variable but sufficient to enable a proportionate assessment of the likely risk of non-compliance with the requirement.

For the most senior appointments, the Commission obtains its data to provide assurance about compliance with the requirement by directly chairing competitions. Data is collated on the Commission's casework database drawn from the Commissioner's panel report and the diversity monitoring return. This information is then analysed by the secretariat and presented at the Commissioner meeting and ARC. The database also records data about appointments by Exception (see page 25) and complaints (see page 27) dealt with by the Commission.

The data used by the Commissioners to oversee the Commission's expenditure comes from a combination of the secretariat's finance spreadsheet and data supplied by the Cabinet Office's finance

team, which provides transactional finance services to the Commission. To date, the level of control has remained acceptable.

### Civil Service Commission Code of Practice for staff

The Commission publishes its own Code of Practice for staff which mirrors the Civil Service Code. The Code of Practice sets out standards of behaviour expected of Commission employees and sets out the process for employees to raise complaints under the Code.

### Management of risk

The Commission's corporate governance controls are designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve compliance with policies, aims and objectives. They can therefore only provide reasonable, not absolute, assurance of effectiveness. The Commission maintains a risk register which is regularly reviewed both by ARC and at Commission meetings.

Risks are managed on an ongoing basis, in a process that is designed to: identify and prioritise the risks to the fulfilment of the Commission's statutory role and to the achievement of its policies, aims and objectives; evaluate the likelihood of those risks being realised and the impact should they be realised; and identify what actions are in place, or need to be taken, to mitigate their impact effectively, efficiently and economically.

Cabinet Office guidelines and procedures have been observed during 2019/20 and this Annual Report and Accounts accords with HM Treasury guidance.

ARC meets quarterly and reports to the Commissioners at the following Commissioner meeting. ARC supports the Commission by reviewing whether proportionate assurances for meeting the Commission's and Accounting Officer's responsibilities are available and by testing the reliability and integrity of those assurances. This includes responsibility for the effective operation and impact of the Memorandum of Understanding with the Cabinet Office, the Commissioners' Code of Practice, the Staff Code of Practice, and the Commission's business planning process.

The Commission has risk registers in place that have been assessed and considered at senior management level and at Commissioner level. The strategic risk register is regularly scrutinised, discussed, updated and ratified at both ARC and Commission meetings. It is considered at each ARC meeting with an in-depth discussion on particular risks and formally reviewed at the Commission meetings twice a year or more frequently as required. It is maintained by the secretariat and is available to all staff and Commissioners.

The operational risk register is reviewed at the fortnightly meetings of the senior management team (SMT).

Following a GIAA audit on Risk Management and Governance in September 2019, changes were made to the format of the operational and strategic risk registers in light of recommendations.

Changes to both risk registers included the addition of descriptors to better reflect the Commission's approach to and appetite for the impact and likelihood of inherent and residual risks (treat, transfer, terminate or tolerate). Direction of travel for each risk is also now included, reviewed at each ARC meeting (strategic) and at SMT (operational).

The Commission's main strategic risks in 2019/20 related to the possibility of a post-election or Brexit-related surge in SCS competitions and requests for exceptions, leading to insufficient Commissioner capacity to chair all necessary competitions for departments in a timely way. This would also have had an effect on secretariat workloads, with the potential that workloads would increase beyond the capacity of the team. This risk did not materialise. The other main strategic risk was the current situation of remote working and use of technology to conduct virtual interviews and assessments due to Covid-19. The Commission has worked closely with departments to understand the limits and advantages of new technology which has mitigated this risk. Moving below the strategic level, the Commission's main operational risk during 2019/20 was that external demand results in failure to live within the Commission's financial and headcount control totals. The impact of this would be intervention by the Cabinet Office Principal Accounting Officer and would risk reputational damage to the Commission. We sought to mitigate this risk by ensuring that we produce quarterly business and progress reports for consideration, which are challenged at both ARC and Commission meetings. This risk did not materialise.

## Audit

The Commission's internal audit service is provided by the Government Internal Audit Agency (GIAA) (formerly HM Treasury Internal Audit). The internal audit team advise the Chief Executive, who is also the Accounting Officer, and ARC.

The Head of Internal Audit annually provides an independent opinion on the adequacy and effectiveness of the Commission's governance, risk and control arrangements. The Internal Audit reviews contribute to that opinion. The Internal Audit review opinion for 2019/20 is "moderate", with some improvements required to enhance the adequacy of the framework of governance, risk management and control.

Results of internal audit work, including action taken by management to address issues, including in audit reports (where appropriate), have been regularly reported to management and the Commission's ARC.

The external audit of the Commission's accounts is undertaken by the Comptroller and Auditor General, as required by the 2010 Act.

## Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the Commission's governance procedures and controls. During my review, I have consulted the Commissioners and ARC and have systems in place to ensure improvements are implemented as required.

I have engaged an internal audit team (the Government Internal Audit Agency) and have consulted them and the National Audit Office regularly on matters of internal control. Both sets of auditors attend all ARC meetings.

I consider that the processes, checks and controls provided by the Commission meetings, ARC and the secretariat team have been effective.

No significant governance control issues have been identified in this year.

# Remuneration and Staff Report

The information below is labelled subject to audit and is covered by the Comptroller and Auditor General's audit opinion.

## Remuneration Report

### Remuneration policy

All staff at the Commission are currently employed on secondment from the Cabinet Office and their salaries are set by the Cabinet Office. The Remuneration Committee (established by the Commission in 2014/15) determines the remuneration of the Chief Executive and the remuneration policy for any staff directly employed by the Commission (to date there are none).

### Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the Commissioners and senior management of the Commission.

### Commissioners [SUBJECT TO AUDIT]

The First Civil Service Commissioner, Ian Watmore, is a part time office holder; Commissioners are all part time, fee-paid office holders. Their remuneration is shown in Table 5 below.

**Table 5** Fees paid to Civil Service Commissioners

	Period 1 April 2019 to 31 March 2020	Period 1 April 2018 to 31 March 2019
Commissioners	Pay band (£000)	Pay band (£000)
<b>Ian Watmore</b> First Commissioner	55-60	55-60
<b>Jane Burgess</b>	Board fees 0-5	Board fees 0-5
	Competition fees 25-30	Competition fees 30-35
<b>Jan Cameron</b>	Board fees 5-10	Board fees 5-10
	Competition fees 35-40	Competition fees 25-30
<b>Natalie Campbell</b>	Board fees 5-10	Board fees 5-10
	Competition fees 20-25	Competition fees 25-30
<b>Isabel Doverty</b>	Board fees 0-5	Board fees 0-5
	Competition fees 25-30	Competition fees 45-50

	Period 1 April 2019 to 31 March 2020	Period 1 April 2018 to 31 March 2019
Commissioners	Pay band (£000)	Pay band (£000)
<b>Margaret Edwards</b>	Board fees 0-5	Board fees 0-5
	Competition fees 15-20	Competition fees 20-25
<b>Rosie Glazebrook</b>	Board fees 5-10	Board fees 5-10
	Competition fees 30-35	Competition fees 40-45
<b>Sarah Laessig</b>	Board fees 0-5	Board fees 0-5
	Competition fees 25-30	Competition fees 30-35
<b>June Milligan</b>	Board fees 0-5	Board fees 0-5
	Competition fees 35-40	Competition fees 20-25
<b>Joe Montgomery</b>	Board fees 0-5	Board fees 0-5
	Competition fees 5-10	Competition fees 10-15
<b>Kevin Woods</b>	Board fees 0-5	Board fees 0-5
	Competition fees 20-25	Competition fees 25-30

**Note to Table 5**

Board fees include attendance at Commissioner meetings, working groups, time spent considering complaints and all other non-competition work.

All fees given are actual figures; fees are calculated based on work completed.

## Senior management [SUBJECT TO AUDIT]

The Commission has determined that the Chief Executive meets the definition of senior management. The current Chief Executive is a senior civil servant on secondment to the Commission. The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

### Salary

“Salary” includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, and any other allowance to the extent that it is subject to UK taxation. There were no benefits in kind.

## Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year prior to which they become payable to the individual. The bonuses reported in 2019/20 relate to performance in 2018/19 and the comparative bonuses reported for 2018/19 relate to the performance in 2017/18.

**Table 6** Senior Staff Remuneration (salary, benefits in kind and pensions)

	Salary (£000)		Bonus Payments (£000)		Benefits in kind (to the nearest £100)		Pension benefits (to the nearest £1,000)		Total (£000)	
	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19
Peter Lawrence	100-105	95-100	0-5	0	0	0	19,000	3,000	120-125	100-105

### Notes to Table 6

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

### Pay multiples [SUBJECT TO AUDIT]

Reporting bodies are required to disclose the relationship between the Full Year Equivalent (FYE) remuneration (to the nearest £5,000 band) of the highest-paid employee in their organisation and the median remuneration of the organisation's workforce.

As shown in Tables 6 & 7, the banded full year equivalent of the highest-paid employee in the Commission in 2019/20 was £105-110k (2018/19: £95-100k). This was 3.23 times the median remuneration of the workforce (2018/19: 2.98 times), which was £33,310 (2018/19: £32,664).

In 2019/20 0 employees (2018/19: 0) received remuneration in excess of the highest-paid director. The remuneration of Commission staff, excluding the Chief Executive, ranged from £24,610 to £58,137 (FTE) (2018/19: £24,025 to £56,570 FTE).

Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

**Table 7** Hutton fair pay disclosure ratio

	Period 1 April 2019 to 31 March 2020	Period 1 April 2018 to 31 March 2019
Band of Highest Paid Employee's remuneration (to nearest £5,000 band)	105-110	95-100
Median Total Remuneration	£33,310	£32,664
Ratio	3.23	2.98

#### Note to Table 7

The remuneration ratio is higher in 2019/20 than it was in 2018/19 due to receipt of a bonus by the Chief Executive increasing his salary band, and the recruitment of several new staff members at entry-level grades.



**Table 8** Gender Pay Gap [not subject to audit]

		%
Mean gender pay gap – ordinary pay		10.65
Median gender pay gap – ordinary pay		-21.8
Mean gender pay gap – bonus pay (in the 12 months ending 31 March)		63.38
Median gender pay gap – bonus pay (in the 12 months ending 31 March)		74.1
Proportion of male and female employees paid a bonus (in the 12 months ending 31 March)	Male	33.33
	Female	66.66
Proportion of male and female employees in each quartile:		
Quartile	Female %	Male %
First (lower)	40	60
Second	75	25
Third	75	25
Fourth (upper)	80	20

The current Chief Executive of the Commission is male. He is the only senior civil servant in the Commission and consequently he is the most highly paid, which has a direct disproportionate causal effect on the mean gender pay gap. Removing the Chief Executive from the calculations reveals a clear reverse gender pay gap, producing negative figures for the mean and median figures for both pay and bonuses for the remaining 16.8 (FTE) of staff.

## Pensions [SUBJECT TO AUDIT]

Commissioner appointments, including that of the First Civil Service Commissioner, are not pensionable. The Commission does not operate its own pension scheme. All staff are on secondment from the Civil Service and are therefore members of Civil Service pension schemes (for further details,

see the Staff Report on page 67). Further details about the Civil Service pension arrangements can be found at the website: [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk) The Chief Executive's pension, as shown in Table 9, has accrued in his role as a civil servant.

**Table 9:** Chief Executive's pension

	Accrued pension at pension age and related lump sum (£000)			Cash Equivalent Transfer Value (CETV) (£000)		
	At start of reporting period	At end of reporting period	Real increase in value during reporting period	At start of reporting period	At end of reporting period	Real increase during reporting period
Peter Lawrence	45-50 (and lump sum 140-145)	45-50 (and lump sum of 145-150)	0-2.5	1,130	1,178	19

### Note to Table 9

A new pension scheme, alpha, was introduced on 1 April 2015. The majority of Principal Civil Service Pension Scheme members will have transitioned to alpha. However, those who were members of a public service pension scheme on 31 March 2012, and 10 years or less away from Normal Pension Age, would continue to build up benefits in their existing pension scheme. Benefits for Peter Lawrence are all accrued under the "classic" pension scheme.

## Compensation for loss of office [SUBJECT TO AUDIT]

0 members of staff left under Voluntary Exit terms during 2019/20 (2018/19: 0).

0 staff left under Compulsory Early Retirement terms during 2019/20 (2018/19: 0).

## Staff Report

### Numbers and costs [SUBJECT TO AUDIT]

Staff and Commissioner costs and numbers are set out in Tables 10 and 11. These figures include the Commissioners and senior managers whose remuneration is detailed in the remuneration report (page 61) and the office holders in the other independent institutions (Advisory Committee on Business Appointments and Office of the Commissioner for Public Appointments) which are supported by the joint secretariat.

The Chief Executive, Peter Lawrence, is the only senior civil servant at the Commission.

**Table 10** Staff and Commissioner costs

£000	2019/20				2018/19
	Total	Staff	Commissioners <sup>8</sup>	Office Holders <sup>9</sup>	Total
Wages and salaries	1,219	778	409 <sup>10</sup>	32	1,197
Social security costs	114	84	30	0	115
Other pensions costs	211	211	0	0	148
<b>Total</b>	<b>1,544</b>	<b>1,073</b>	<b>439</b>	<b>32</b>	<b>1,460</b>

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. For 2019/20 employer's pension contributions of £211k (2018/19: £148k) were payable to the PCSPS at one of four rates in the range 26.6% to 30.3% (2018/19: 20% to 24.5%) of pensionable pay based on salary bands.

<sup>8</sup> "Commissioners" includes the First Civil Service Commissioner, the Public Appointments Commissioner and all Civil Service Commissioners.

<sup>9</sup> "Office Holders" refers to the chair and members of ACOBA.

<sup>10</sup> Of the £409k of wages and salaries paid to Commissioners, £43k related to Commissioner board fees, £241k related to Commissioner competition fees, and £125k related to salaries paid to the First Civil Service Commissioner and the Commissioner for Public Appointments.

**Table 11** Average staff (full-time equivalent) and Commissioner numbers

	2019/20				2018/19
	Total	Staff (FTE)	Commissioners	Office holders	Total
Directly employed	0	0	0	0	0
Inward secondments	17.8	17.8	0	0	17.2
Office holders	21	0	12	9	21.3
<b>Total</b>	<b>38.8</b>	<b>17.8</b>	<b>12</b>	<b>9</b>	<b>38.5</b>

**Note to Table 11**

The numbers of staff, Commissioners and Office Holders reflect the monthly average throughout 2019/20. The numbers in post on 31 March 2020 were 17.3 full time equivalent staff, 12 Commissioners and 8 Office Holders (9 until 31 March 2020). The staff figure includes an intern under the Summer Diversity Internship Programme; without the intern full year average FTE would be 17.3.

The secretariat supports the individual Commissioners as well as the collective Commission. On 31 March 2020 there were 18 members of staff employed in the Commission secretariat (17.3 FTE). The secretariat is staffed entirely by civil servants on loan/secondment from the Cabinet Office and new recruits are employed by Cabinet Office prior to being seconded to the Commission.

**Staff composition**

The table below provides a breakdown, by gender, of all the staff who have worked for the Commission during the period 1 April 2019 to 31 March 2020.

**Table 12** Analysis of staff by gender

	Men		Women		Total	
	Count	Percentage	Count	Percentage	Count	Percentage
Senior civil servants	1	100%	0	0%	<b>1</b>	<b>100%</b>
All staff	11	38%	18	62%	<b>29</b>	<b>100%</b>

## Attendance information

The level of sickness absence within the secretariat in 2019/20 was 3.8 average working days lost per staff year (3 days in 2018/19) equating to an average of 2.4 days per person (1.9 days in 2018/19).

## Staff policies applied during the financial year

The Civil Service Commission is committed to equality and diversity. In all our activities we aim to treat colleagues and customers fairly and with respect.

The Civil Service Commission applies its own Recruitment Principles, appointing candidates based on merit through fair and open competition. The Commission takes part in the Disability Confident Scheme (which replaces the Guaranteed Interview Scheme), which encourages candidates with a disability to apply for the jobs it advertises. If a candidate declares a disability and meets the minimum standards required for a job, he or she is invited to interview.

## Expenditure on consultancy

The Commission employed no consultants during 2019/20 (2018/19: none).

## Off-payroll engagements

The Commission employed no staff off-payroll during 2019/20 (2018/19: none).

## Contractual relationships

The Commission has a contract with Pay Check Ltd to calculate Commissioners' payments, a contract with DF Press Ltd, to provide press officer support and a contract with Government Legal Department to provide legal advice.

In addition, the Commission's Memorandum of Understanding with the Cabinet Office enables us to use many of the Cabinet Office's suppliers. We are charged on a per capita basis for these services.

## Pensions

The Commission does not operate its own pension scheme. All staff are on secondment from the Civil Service. All pension arrangements for staff are dealt with by the department in the Civil Service from which they are seconded to the Commission (the Cabinet Office). All pension arrangements relate to defined contribution pension schemes and contributions are charged in the income and expenditure account as they become payable in accordance with the rules of the arrangements.

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date,

civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from the appointed provider – Legal & General. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable

salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another

pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

# Parliamentary Accountability and Audit Report

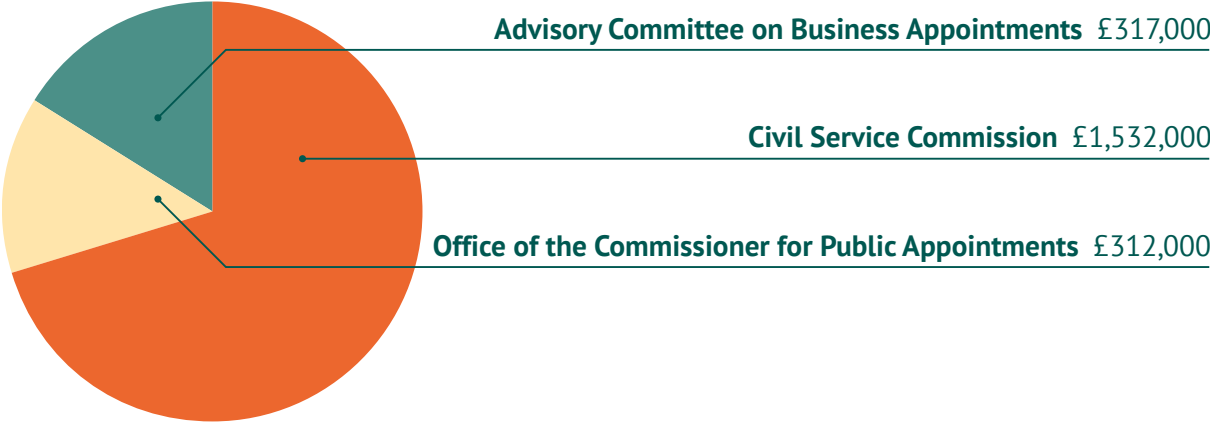
## Finance summary

The Commission’s Accounts for 2019/20 are presented at Part 2.

The Commission provides secretariat support for two other independent offices.<sup>11</sup> As of September 2019 the Commission has also supported the Going Forward into Employment programme, as part of its strategic priority to improve the life chances of those from

disadvantaged backgrounds. The budgets and expenditure of those organisations are incorporated within the Commission’s overall budget and expenditure for the purposes of our accounts and this summary. The breakdown of expenditure (to the nearest £000) between the three institutions supported by the Civil Service Commission secretariat is shown in Figure 9.

Figure 9: Expenditure by institution, 2019/20



<sup>11</sup> The Advisory Committee on Business Appointments (ACOBA) and Office of the Commissioner for Public Appointments (OCPA).



Including the Commission's work for the other Independent Offices, the Commission had a budget of £2.15m (£2.41m in 2018/19). The Commission's net expenditure was £2.16m (£2.09m in 2018/19), an overspend of approximately £11k against the budget (£320k underspend in 2018/19).

The primary reason for this overspend was increased staffing costs. When the 2019/20 budget was agreed by Cabinet Office, the likelihood of a slight overspend on pay costs was highlighted, and the Commission received agreement that this budget heading may flex by an agreed amount.

Our main items of expenditure during 2019/20 were:

- Secretariat staff costs: £1.07m compared with £922k in 2018/19.
- Competition fees: £241k compared with £298k in 2018/19. This is the most volatile element of the Commission's expenditure and is driven primarily by the volume of senior competitions. The Commission's budget is based on an estimate of the number of recruitment competitions that may be held, however the Commission does not have control over when, or how often, departments choose to recruit. There was a smaller number of competitions in 2019/20 due, most likely, to political events including the General Election.

Of the total spend, £133k related to accrued costs (£187k in 2018/19).

## Compliance with Treasury and other guidance

The Commission has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

## Losses and special payments [SUBJECT TO AUDIT]

There have been no losses or special payments this year.



**Peter J Lawrence OBE**  
Chief Executive  
Civil Service Commission  
15 July 2020

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

## Opinion on financial statements

I certify that I have audited the financial statements of Civil Service Commission for the year ended 31 March 2020 under the Constitutional Reform and Governance Act 2010. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of Civil Service Commission's affairs as at 31 March 2020 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Constitutional Reform and Governance Act 2010 and Secretary of State's directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Civil Service Commission in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Civil Service Commission's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Civil Service Commission have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Civil Service Commission's ability to continue to adopt the going concern

basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Responsibilities of the Commissioners and Accounting Officer for the financial statements**

As explained more fully in the Statement of Commissioners' and Accounting Officer's Responsibilities, the Civil Service Commissioners and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Constitutional Reform and Governance Act 2010.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Civil Service Commission's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- conclude on the appropriateness of the Civil Service Commission's use of the going concern basis of accounting and, based on the audit evidence obtained,

whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Civil Service Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Civil Service Commission to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

### Other Information

The Commissioners and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit

Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Opinion on other matters

In my opinion:

- the parts of the Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Constitutional Reform and Governance Act 2010;
- in the light of the knowledge and understanding of the Civil Service Commission and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Analysis: review of 2019/20 or the Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit Report; and

- the information given in the Performance Analysis: review of 2019/20 and Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report, Remuneration and Staff Report and Parliamentary Accountability and Audit Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Report**

I have no observations to make on these financial statements.

#### **Gareth Davies**

Comptroller and Auditor General

16 July 2020

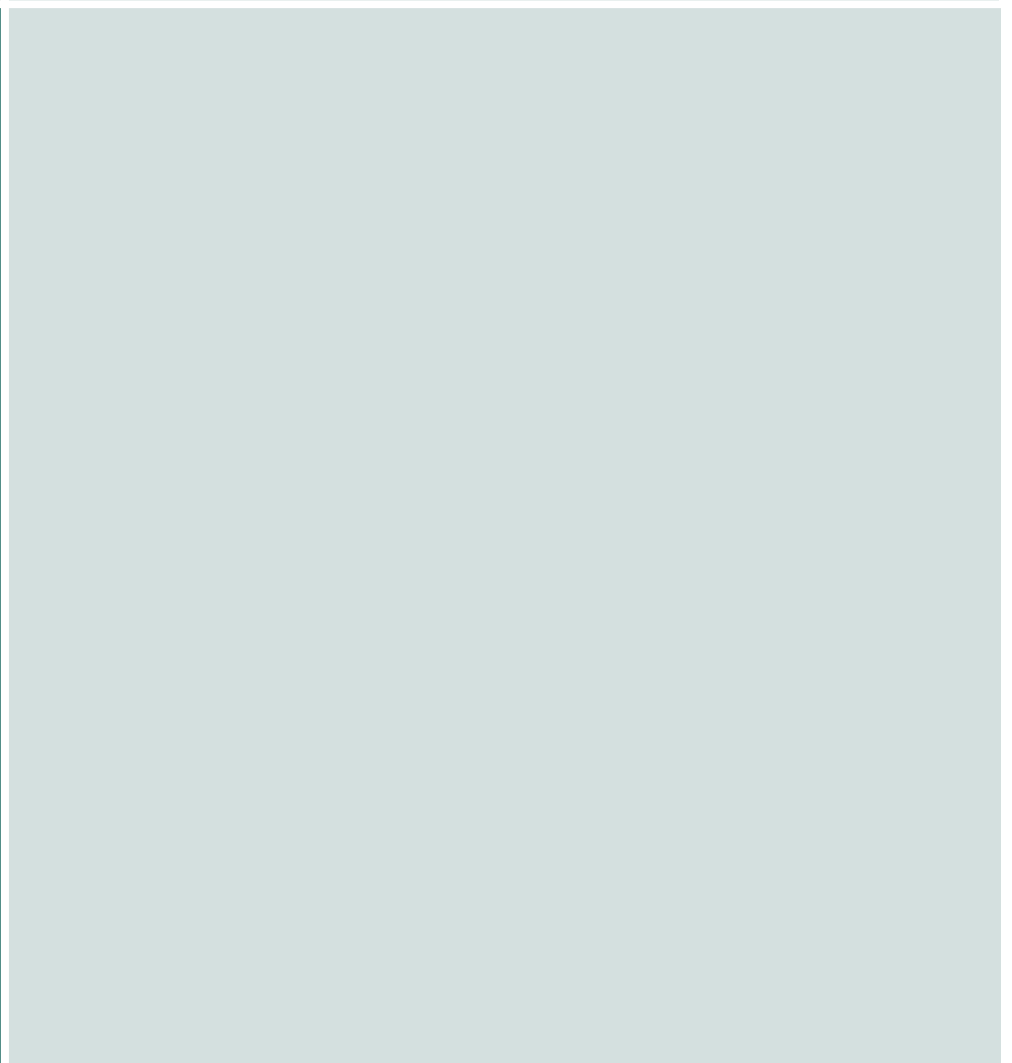
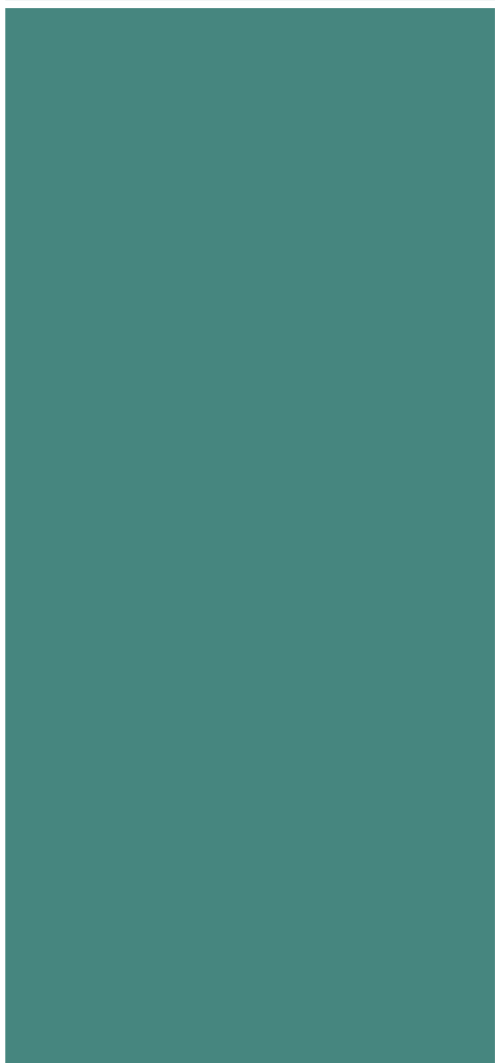
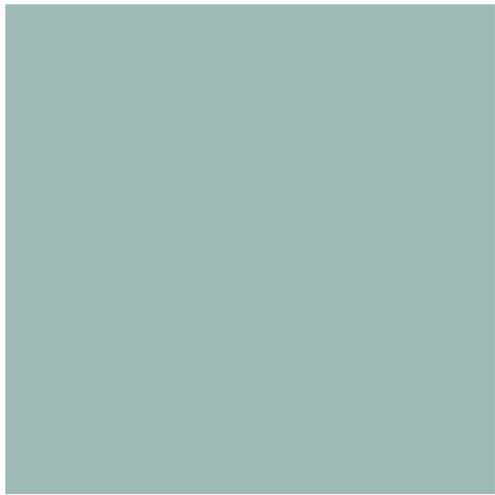
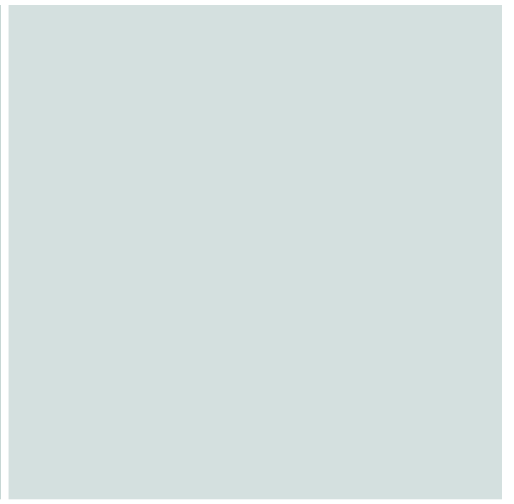
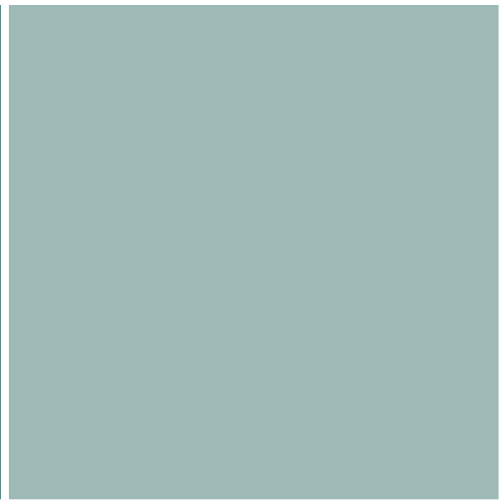
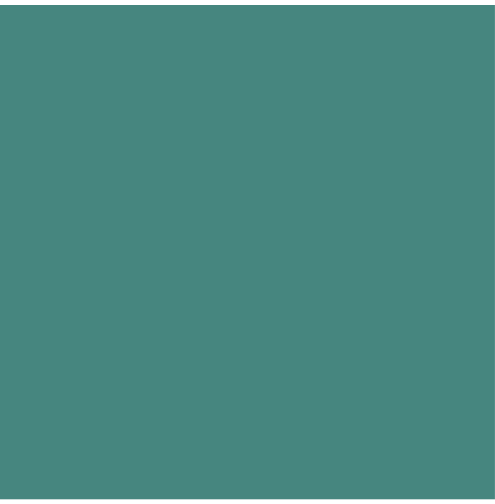
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# Part 2:

## Annual Accounts 2019/20





### Statement of Comprehensive Net Expenditure for the year ended 31 March 2020

	Note	2019/20 £000	2018/19 £000
<b>Expenditure</b>			
Staff and Commissioner costs	3	1,544	1,460
Other Expenditure	4	617	629
Net Expenditure		2,161	2,089
<b>Total Comprehensive Net Expenditure for the year ended 31 March</b>		<b>2,161</b>	<b>2,089</b>

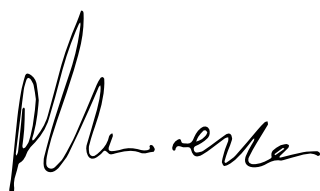
The notes on pages 84-88 form part of these accounts.



## Statement of Financial Position as at 31 March 2020

	Note	As at 31 March 2020 £000	As at 31 March 2019 £000
<b>Current assets</b>			
Total current assets		–	–
<b>Current liabilities</b>			
Accruals		(133)	(187)
Total current liabilities		(133)	(187)
Total assets less current liabilities		(133)	(187)
Assets less liabilities		(133)	(187)
<b>Taxpayers' equity</b>			
General Fund		(133)	(187)
<b>Total taxpayers' equity</b>		<b>(133)</b>	<b>(187)</b>

The notes on pages 84-88 form part of these accounts.



**Peter J Lawrence OBE**  
Chief Executive  
Civil Service Commission  
15 July 2020

## Statement of Cash Flows for the year ended 31 March 2020

	Note	2019/20 £000	2018/19 £000
<b>Cash flows from operating activities</b>			
Net Expenditure		(2,161)	(2,089)
Increase/(Decrease) in accruals		(54)	(16)
Net cash outflow from operating activities		(2,215)	(2,105)
<b>Cash flows from financing activities</b>			
Grants from parent Department		2,215	2,105
Net financing		2,215	2,105
Net Increase/(Decrease) in cash and cash equivalents in the period		-	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-

The notes on pages 84-88 form part of these accounts.

## Statement of changes in Taxpayers' Equity

	Note	General Reserve £000	Total Reserves £000
Balance at 1 April 2018		(203)	(203)
Grants from Parent Department		2,105	2,105
Comprehensive Net Expenditure for the year		(2,089)	(2,089)
Balance at 31 March 2019		(187)	(187)
Balance at 1 April 2019		(187)	(187)
Grants from Parent Department		2,215	2,215
Comprehensive Net Expenditure for the year		(2,161)	(2,161)
Balance at 31 March 2020		(133)	(133)

The notes on pages 84-88 form part of these accounts.

# Notes to the accounts for the year ended 31 March 2020

## 1. Statement of Accounting Practices

### Basis of Preparation

As an independent executive Non Departmental Public Body (NDPB), the Civil Service Commission's financial statements have been prepared in accordance with the Accounts Direction given by the Minister for the Cabinet Office, the Commission's sponsoring Department. They meet the requirements of the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

### Going concern

The financial statements have been prepared on the basis that the Commission is a going concern. The Commission is a statutory body created by the Constitutional Reform and Governance Act 2010. The Commission's budget and business plan for 2020/21 and

corporate framework have been agreed by the Cabinet Office as part of their planning process.

### 1.1. Accounting convention

These accounts have been prepared under the historical cost convention.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The Commission, with the exception of accruals, has not made any significant estimates in producing these accounts.

### 1.2. Cash and cash equivalents

The Commission does not hold a bank account or cash. Under the Memorandum of Understanding with the Cabinet Office, payments are made and receipts collected, on behalf of the Commission by the Cabinet Office, through its central bank account.

### 1.3. Grant-in-Aid

As the Commission is an independent executive Non-Departmental Public Body, Grant-in-Aid is treated as financing from the sponsoring Department. This is recognised as a credit into general reserves and is treated on a cash basis in accordance with guidance given in the

FReM. Grant-in-Aid is received indirectly in the form of payments made by the sponsoring Department, the Cabinet Office, to settle the Commission's liabilities.

#### 1.4. Operating Segments

The Commission provided Secretariat support to three separate institutions during 2019/20.<sup>12</sup> Further details are provided in Note 2. Our operating segments reflect these three functional areas. The Accounting Officer is accountable for the propriety and expenditure of all three institutions and the Commission board has a general oversight role for the totality of expenditure. The board's primary role, however, is to focus on the 'core' Civil Service Commission's functions, in particular those derived directly from the 2010 Act.

#### 1.5. Future changes in Accounting Policy

An update to the implementation of IFRS 16 Leases due to come into effect for accounting periods starting after 1 January 2019, has been deferred until 1 April 2021. This will have a nil impact on the Civil Service Commission's Financial Statements, the Commission has no contracts which are leases.

## 2. Operating segments

The Civil Service Commission provided secretariat support to the Advisory Committee on Business Appointments and the Office of the Commissioner for Public Appointments. The spend for each area is reflected in the table below.

£000	2019/20				2018/19			
	CSC	OCPA	ACOBA	Total	CSC	OCPA	ACOBA	Total
Commissioner or Committee Member Fees	376	63	32	<b>471</b>	445	61	32	<b>538</b>
Other Gross Expenditure	1,156	249	285	<b>1,690</b>	1,085	172	294	<b>1,551</b>
Income	(0)	(0)	(0)	<b>(0)</b>	(0)	(0)	(0)	<b>(0)</b>
Net Expenditure	1,532	312	317	<b>2,161</b>	1,530	233	326	<b>2,089</b>
Of which accruals total	125	4	4	<b>133</b>	177	2	8	<b>187</b>

<sup>12</sup> The Civil Service Commission itself (encompassing GFIE), the Advisory Committee on Business Appointments (ACOBA) and the Office of the Commissioner for Public Appointments (OCPA).

### 3. Staff, Commissioner and Office Holders costs

	2019/20	2018/19
<b>£000</b>	<b>Total</b>	<b>Total</b>
Wages and salaries	1,219	1,197
Social security costs	114	115
Other pensions costs	211	148
<b>Total</b>	<b>1,544</b>	<b>1,460</b>

#### Notes

Please see page 67 for fuller analysis of staff costs.

#### 4. Other expenditure

	2019/20 £000	2018/19 £000
Accommodation, utilities and IT costs	455	442
Consultancy	41	36
Supplies and services	50	88
Other staff related costs	24	14
Travel, subsistence and hospitality	36	39
Audit Fee <sup>13</sup>	11	10
<b>Total</b>	<b>617</b>	<b>629</b>

#### Notes:

Accommodation, utilities and IT costs are costs recharged to the Commission by the Cabinet Office (see Note 5 for further details).

Of the £41k consultancy figure, £21k relates to the work carried out by the Government Internal Audit Agency (GIAA) (£14k 2018/19); £13k relates to work carried out in relation to the production of the Annual Report (£20k 2018/19); £2k relates to Commissioners' payroll contract (£2k 2018/19) and £5k relates to the work carried out by Mediorite in relation to the production of short films for the Commission's website.

Supplies and services incorporates £3k legal advice from Government Legal Department, £46k press officer costs, along with ad hoc costs related to the running of the secretariat (stationery, etc.).

Travel and subsistence incorporates expenses incurred by staff, Commissioners and office holders.

<sup>13</sup> No fees were paid for non-audit services to NAO, the Commission's external auditors.

## 5. Related Party Transactions

The Civil Service Commission is an independent executive NDPB funded by the Cabinet Office. The Commission has had a small number of transactions with government departments in relation to staff secondments.<sup>14</sup>

Back office services are provided to the Commission from the Cabinet Office under a Memorandum of Understanding and charges are based on a combination of FTE service charges and accommodation square footage, with a total of £455k for the period ending 31 March 2020 (2018/19: £422k).

No manager or other related party has undertaken any material transaction with the Commission during the year. No compensation has been paid to management and Commissioners, except remuneration which has been reported in the Remuneration Report (see page 61).

## 6. Events after the Reporting Period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There are no other events to report.

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<sup>14</sup> The Home Office.









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