THE GOVERNANCE OF QUANGOS

Philip Holland MP

"He has erected a multitude of new offices, and sent hither swarms of officers to harass our people, and eat out their substance".

American Declaration of Independence

THE AUTHOR

Philip Holland has been Member of Parliament for Caithness since 1966, and for Ayr from 1959-1964. He served previously with the R.A.F. and worked in the engineering industry. A personal consultant to a large engineering firm, he has questioned persistently on the subjects of public bodies and patronage.

The Governance of Quangos is published by the Adam Smith Institute as a contribution to public debate. The opinions are those of the author and not of the Institute.

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The Governance of Quangos has appeared because the Adam Smith Institute continuously insisted that it was within my capacity to write it, and then published the result.

Finally, publication was only possible because my wife translated my wholly illegible longhand into typescript, and still managed to meet impossible deadlines for delivery.

On reflection I am surprised to find how little I had to do with the project...

Philip Holland
October 1981

Introduction

If at any time they have suffered the nation to be preyed upon by swarms of idle pensioners, or useless placemen, it has rather been from negligence and imbecility, than from any settled plan for oppressing and plundering of the people.

— Jeremy Bentham

There are those who believe that the abolition of some 600 Quangos, saving about £25 million annually, together with a reduction in the activities of some of the major remaining ones to reduce public expenditure by a further £350 million a year, ought to be enough to satisfy the most ardent Quango hunter. Not so. In spite of the progress already made, there remain a further 2,400 official bodies whose administration costs alone exceed a well-researched estimate of £1,500 million annually.

As each attempt to reduce the numbers and powers of ministerially appointed official bodies records a modest success, so those that remain become more difficult to dislodge. The resistance to change of the Whitehall establishment stiffens as each new citadel is stormed. Its determination to maintain the status quo in the corporate state hardens. Instead, there is continuing pressure from within Whitehall to make good such losses that may occur.

Ministers are fed beguiling reasons for retaining this and creating that. On occasions, proposals for a powerful new Quango have been leaked to the press in the hope of stampeding ministers into acceptance. Even more successful has been the expedient of replacing several minor bodies with one more powerful one, requiring at least the same number of ministerial appointments and administrative staff.

The massive vested interests in maintaining the bureaucratic status quo stems from three main categories of public servant. First, there are the many thousands of Quango employees on civil service terms and conditions of employment. Second, there are rather more than 30,000 Quangurus appointed by ministers. Third, there are the Whitehall mandarins for many of whom
Quangos offer light duty and a further source of income or perks when they take early retirement. The task of breaching their defences is formidable.

Two elements are necessary if Quangos are to be limited. In the first place, there must be a widespread and informed public debate on the issue, subjecting Quangos to particular and critical scrutiny. My own belief is that the true facts about the spread and abuse of official patronage over recent years is so astonishing that this debate will lead to considerable public pressure on policymakers to do something about the situation.

But as Quangos are ministerially appointed bodies, the second element is crucial if they are to be limited. Armed with public opinion, ministers would have to demonstrate their ability to take firm control of their departments and departmental officials.

One purpose of this book, therefore, is to remind the public of the Quango story so far and contribute to the public debate on the issue. It may well be that this debate prompts ministers to look critically yet again at those Quangos that remain under their control, and to brush aside the objections of the Whitehall establishment that is so skilled at preventing action. This is still not the time for any complacency about the Quango situation.

However, even if official bodies are reduced further in number, there will probably remain the great immovables. The first obvious question facing the critical public will be how each minister's list can be kept under scrutiny, and how each responsible minister can be questioned in public and in Parliament about every aspect of the activities, cost and membership of the bureaucratic bodies established by his or her predecessors.

One proposal which I have chosen to advance in this book would be to lay on each secretary of state a statutory obligation to publish annually a register, listing detailed information relevant to each public body for which he is responsible. This would incidentally encourage each minister to keep to a minimum the total number of such bodies: but it would also expose to public view the nature of the expenditure of all public funds within the control of public bodies, with comparisons of their activities made possible year by year. It would also enable policymakers to question a secretary of state about anything that was required to be included in the annual register for which he was responsible.

The justification for such a measure to increase the public accountability of Quangurus and their Quangos through the responsible minister will be argued later, and some specific proposals on how to effect this suggestion will be made.

No aid to success, however, is itself a panacea or a guarantee of success. There is no substitute for an informed public debate and public pressure on ministers. As in so many other activities, the degree of success in rolling back these frontiers of bureaucracy must depend upon the amount of continuing effort applied to the task.

A system of government based on a permanent civil service and a transient executive would seem to indicate that time is always on the side of the permanent official. It does not have to be so if there is a substantial body of public opinion intent on change. In our Quangocracy, the change needed is perhaps one of attitude rather than personnel, and of surgery rather than analgesics.
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History of the Quango

‘Who was your mother?’ ‘Never had none,’ said the child, with another grin. ‘Never had any mother? What do you mean? Where were you born?’ ‘Never was born,’ persisted Topsy; ‘never had no father, nor mother, nor nothin’, I was raised by a speculator.’ . . . ‘Do you know who made you?’ ‘Nobody as I knows on,’ said the child, with a short laugh . . . ‘I spect I growed.’

— Harriet Beecher Stowe

Early patronage

The ultimate source of all central public administration is clearly identified in the committees of the King’s Council, for instance the old Board of Trade which originated as the Committee of Trade established and appointed by King James I in 1621. Not all such ‘King Appointed National Governmental Organisations’ were translated into ministerial departments, for this was the age of confrontation between monarch and executive. Many of them became either executive agencies or advisory bodies directly answerable to the king.

In Stuart days, from the monarch’s point of view, ministers were decidedly risky. Whilst some might become simply ‘yes men’, others developed into very powerful subjects indeed. From this point of view, the forerunners of the Quango provided a means of government preferable to operating through ministers. Moreover, official bodies appointed by the king had the advantage of increasing the representation of the court in the House of Commons. Like the modern Quango, the Kango greatly increased the degree of political patronage; and since it, too, rarely died, it provided a degree of continuity of government that was not exactly a feature of parliamentary activity during the first half of the seventeenth century.

So long as the official bodies were responsible in fact as well as in name to the monarch, the system worked well. Strains developed, however, when the executive became primarily responsible to Parliament. The result was a decline in the system of administration by means of royal executive agencies and the growth of a style of ministerial government increasingly subject to parliamentary scrutiny and control.

Nevertheless, non-ministerial organisations were still freely employed and expanded until well into the nineteenth century. By 1832 there were nine executive agency type of Quangos including the National Debt Commission, the Board of Customs & Excise, the Board of Taxes (which lasted only until 1834) and the rather quaintly named Quango, the Queen Anne’s Bounty Board (which, incidentally, survived until 1948). Early executive Quangos in Scotland included the Board of Manufacturers, the inevitable British White Herring Fishery Board, the Board of Supervision and the Lunacy Commission, which paralleled the Lunacy Commission Board of Control in England and Wales and the Asylum Board in Ireland. Seemingly, the administration of mental health provision could not be entrusted to government ministers in the nineteenth century. Nor, apparently, could taxation in the early part of the century.

Expansion in the nineteenth century

Gradually, however, the nineteenth century executive Quangos were nearly all translated into ministerial departments, as had been one or two of their predecessors of the seventeenth and eighteenth centuries.

The Tithe, Copyhold and Inclosure Commission was renamed the Land Commission in 1883 and translated into the ministerial Board of Agriculture six years later. The Board of Works became the Ministry of Works and, much later, the Department of the Environment. The Insurance Commissions for England, Scotland, Wales and Ireland became the Health Departments in 1919. Thus the executive Quangos of the nineteenth and very early twentieth centuries acted in the role of scouting parties over the ground eventually to be taken over by full government departments.

The rise of advisory bodies

However, the closing years of the nineteenth century, which saw a steady decline in quasi-government executive bodies in line with the expansion of the number and size of government departments, also saw the rise of the advisory body. One of the earliest that
marked the transition in concept from administrative to advisory bodies was the Trustee Savings Bank Inspection Committee. This had a supervisory role as its name implied, but was also charged with the task of advising the National Debt Commission on questions arising from proposed amalgamations and any special investment proposals of the Trustee Savings Banks.

A later example was the Consultative Committee of the Board of Education set up by an order of council in 1900 under section 4 of the Education Act of 1899. This had three functions in its terms of reference. The first two were to advise the Board on the inspection of secondary schools, and to frame regulations for a register of teachers. The third was to advise the Board on any matters referred to the Committee by the Board. Whilst educational interests were anxious for the Committee to play a major role in the Board’s activities, bringing the assistance of experts to the Board’s work, the Board for its part was determined not to be committed by any conclusions the Committee might reach. It therefore found subjects for the Committee to consider which (whilst appearing to have educational value) were not urgent questions of policy. For all those involved in the scrutiny of modern Quangos, that has a familiar ring.

The rise of tribunals

The quasi-judicial Quango also has its origins far back in history. The two earliest were the General and the Special Commissioners of Income Tax and they date from the end of the eighteenth and beginning of the nineteenth centuries. The Transport Tribunal originated with the Board of Railway Commissioners in 1846. Almost all of the important tribunals now existing have been created during the twentieth century, and most of these since the second World War. During the past fifty years they have expanded in numbers and variety of subject matter.

The Donoughmore Committee on Ministers’ Powers in 1932 referred to the existing tribunals which at that time were almost entirely in the field of unemployment insurance and contributory and war pensions. Between 1946 and 1957, when the Franks Committee on Administrative Tribunals reported, their application had been extended to cover land and property, national insurance, national assistance and family allowances, the National Health Service, military service, transport and several other matters.

The expansion has not been straightforward. There have been both translations and mutations. Old ones have been adapted to new purposes, whilst others have been replaced to take account of a changed emphasis in function. A comparison of numbers between one decade and another is sometimes difficult to make and always confusing. Different authorities use different criteria for defining types of tribunal. A special report on the functions of the Council on Tribunals published by the Council on Tribunals in January 1980 claimed that the number of different types of tribunal within its jurisdiction exceeded fifty. In the same month the government white paper Report on Non-Departmental Bodies prepared by Sir Leo Pliatzky referred to sixty-seven different systems, of which twenty four were attached to the Scottish, Welsh and Northern Ireland Offices.

A problem of definition

Any attempt to trace historically the changing numbers of Quangos is bedevilled by problems of definition. Currently, the widest definition of a Quango is an official body to which a minister makes appointments other than civil servants. Within that definition, there are slightly more than 2,500 Quangos at present. In theory, it should be possible to trace back in all the areas of administration within that great broad definition to establish the growth in numbers over the past hundred years or so. In practice it is virtually impossible, since there are no centralised records having the scope that would be required. Indeed, until quite recently, there has been no officially published information at all.


in this general field, and the listings given in recent surveys have varied so dramatically according to the definition of the compiler as to make direct comparisons misleading.

The best estimate that can be made on scanty records is of a multiplication factor of about 50 in numerical terms between 1900 and 1977. In the earliest years of the 19th century, an expansion of the functions of government at a faster rate than the departments of government encouraged the establishment of fringe bodies. The departmental catching up process through the second half of the 19th century effected a resultant decline.

The rise and fall in the number of bodies was repeated for much the same reason in the years immediately preceding and following the first world war. However, the late 1920's and 1930's saw a steady increase in the number of advisory, monitoring and judicial bodies in line with the development of basic national welfare provision. This expansion accelerated with the advent of the comprehensive welfare state after the second world war.

In 1949, Prime Minister Attlee gave a figure of 700 for the number of central or national advisory bodies. Those figures, of course, related only to advisory bodies. They did not include executive or judicial bodies.

Quasi-governmental bodies since 1968 received a considerable boost from the recommendations of the Fulton Committee in its Report on the Civil Service in 1968\(^1\), which recommended the creation of accountable units of management within departments and possibly a considerable expansion of the process of hiving off autonomous bodies from departments. The mandarins were not slow to recognise the potential of creating a complete new second tier of the civil service to man, administer and organise these bodies. This coincided with a period in which the arms of the welfare state spread more rapidly than at any time in our history, and the nationalisation of the means of production and distribution was expanded as fast as parliamentary timetables allowed.

Thus the explosion of Quangos during the late sixties and the seventies was the result of a stimulus generated by a combination of nationalisation, the growth of the welfare state and the report of the Fulton Committee. The expansion of bureaucracy continued unabated throughout the three and a half years of Conservative government in the 1970's, partly because of a failure to understand its implications, but mainly because there was not yet any comprehensive list or survey published to indicate the size of the problem.

Prior to 1976 there had been no directory of Quango appointments, only an annual list of members of public boards of a commercial character. This showed that there were 18 such bodies in 1948 (the first year of publication), 19 in 1959, 26 in 1969 and 33 in 1978.

Parliamentary questions tabled early in 1976 produced figures of 18,010 appointments to 785 official bodies. The interest in the subject prompted the Civil Service Department to produce its first ever Directory of Paid Public Appointments Made by Ministers\(^2\) of that year, which, presumably to lower the temperature, listed only 295 bodies on a narrow definition. The updated version published two years later revealed the existence of only 350 such bodies. This was supplemented by the Bowen Report, A Survey of Fringe Bodies, published in 1978\(^2\) by the Civil Service Department, which produced an historical survey of the 250 fringe bodies it listed for 1976. Using the same definition, it showed that prior to 1900 the total number of such fringe bodies was 10. By 1949 the number had increased to 84. It then grew to 103 in 1959; 150 in 1965; 196 in 1971; 235 in 1975; and 250 by late in 1976.

Whilst official reports and surveys have been one source of information about recent and current levels of Quangos, there have been others. Parliamentary questions have provided a wealth of information on the subject and estimates presented to Parliament have filled one or two gaps as well. A substantial number of replies to parliamentary questions drafted in identical terms to each departmental cabinet minister during the three years from January 1976 to the beginning of 1979, and supplemented by information from all relevant government publications produced in the same period, enabled the most detailed and factual list of


Quangos and Quangurus to be assembled and published in the summer of 1979 by the Adam Smith Institute.\(^1\)

This publication, *Quango, Quango, Quango*, revealed an overall total of 3,068 individual bodies, representing 947 different types of Quango. The breakdown into general categories of official bodies showed that the 3,068 total was made up of 838 main Quangos, 47 state industry boards, 160 academic advisory, research and educational bodies, 702 judicial Quangos and 1,321 other advisory bodies. The main category of 838 Quangos accounted for 2,353 paid Quangurus appointed by ministers, and 6,430 unpaid ones.

The total fees and salaries paid to this group of Quangurus was £3,320,000 plus expenses in 1977/78.\(^2\) On the other hand, 350 paid members of state industry Quangos received in salaries in the same year £2,410,000. There were at the same time some 50 additional members of the industry boards who drew no pay but were entitled to out-of-pocket expenses.

The largest number of fee-earning Quangurus were appointed to the judicial bodies, with a total of 6,460 appointees receiving £1,510,000. With 480 paid members of advisory bodies and one paid academic appointment, the total number of paid Quanguru appointments in 1979 was 9,633 and the number of unpaid appointments was 30,890. The total paid in fees alone to the fee-earning appointments was £7,283,000. Expenses claimed by the 9,633 paid appointments and the 30,890 unpaid ones would have added considerably to that figure in 1977/78. Subsequent inflation would have increased it substantially more before reductions were made in Quango numbers in 1979/80.

The fierce public debate sparked off by these figures prompted the government to appoint Sir Leo Pliatzky to produce the *Report on Non-Departmental Public Bodies*, published as a white paper in January, 1980, which listed a total of 1,561 advisory bodies. It also listed 489 executive bodies and 67 tribunal systems, making a total of 2,117 Quangos in existence in 1979.

However, the 1980 white paper expressly excluded from its totals the nationalised industry boards, other public corporations, and a noticeable number of other crown bodies such as the Charity Commissioners, the Civil Service Pay Research Unit, the Forestry Commission and the Office of Fair Trading. It also excluded the non-departmental public bodies in the National Health Service such as the 14 Regional Health Authorities and the 90 Area Health Authorities.

Payments to members of boards, of course, turned out to be a very small part of the total cost. The *Report on Non-Departmental Public Bodies* gave a figure for expenditure on capital and current account in respect of 489 executive agency type bodies (excluding the nationalised industries and the National Health Service) of £5,800 million. It also gave the number of staff as 217,000. The cost of back-up services in the sponsoring departments of those 489 bodies added an extra £24 million a year. By way of comparison, the 104 Regional and Area Health Authorities were responsible for expenditure of about £7,500 million and had 900,000 employees. It can hardly be denied that Quangos have become big business in both numerical and financial terms.

**The source of the Quango**

After the 1979 general election, the incoming Conservative ministers set themselves the task of culling the Quango. Like the solution of so many government problems, it proved to be a more difficult task than had at first been thought. The method of abolition must, of course, depend in each case on the nature of its birth. There is a great variety of Quango origins.

The commonest form is through *primary legislation* when an act of Parliament establishes a body, sets out its functions, prescribes how its board is to be appointed, and by whom, and lays down its relationship with the minister. This is the form with nationalised industry boards, many national boards, commissions and authorities. For example, the *Advisory, Conciliation and Arbitration Service* was established by the Employment Protection Act which also laid down that the minister should appoint the members. (It came as something of a surprise, therefore, to read in a letter to the *Daily Telegraph* in 1978 that one of the members of *A.C.A.S.*, Mr. Jack Jones of the Transport & General Workers’ Union, was not in his view the recipient of ministerial patronage, but the elected nominee of his union. It would appear, if this were

\(^{1}\) Philip Holland, *Quango, Quango, Quango*. London: Adam Smith Institute, 1979.

true, that the minister had failed to fulfill the duty placed upon him by act of Parliament.)

Then there are bodies established by secondary legislation. This occurs when an enabling act authorises the appropriate minister to constitute by regulation a number of bodies needed to perform the functions prescribed by the main act. These are usually regional and local bodies like the Health Authorities, the Water Authorities in England and Wales, Development Corporations, Marketing Boards, Industrial Training Boards and Wages Councils.

Next there is the Royal Charier and Royal Warrant which have been responsible for such bodies as the Research Councils, and others like the Sports Council. Some of the royal commissions are ad hoc and become extinct on producing a report. The majority, however, are standing royal commissions which tend to be very difficult to dislodge, though the Secretary of State for Employment had an early success in the summer of 1979 with the abolition of the Royal Commission on Incomes and Wealth. This was probably because it was still in its infancy when he caught it.

Whilst those are the main official origins of fringe bodies today, there are many unofficial ones as well. There are those that a minister simply appoints on his own initiative to give him advice or to tackle specific problems. In this category are numerous advisory committees and consultative councils. They are now more than a thousand such bodies providing advice to ministers that is not apparently available within their departments. Even the most permanent of these bodies no longer need any parliamentary authority, it seems. Indeed, in recent years some major national bodies have come into being without the usual parliamentary authority. These include the Energy Commission and the Metircation Board which were promptly abolished in the early months of the new government after the 1979 general election, and one that appears to be immovable, the National Consumer Council.

The recent history of the Quango

In March 1981 the Civil Service Department published an updating of the departmental lists of Quangos which appeared in the Report of Non-Departmental Public Bodies. This was an H.M.S.O. publication entitled Non-Departmental Public Bodies: Facts & Figures 1980. In each case, an asterisk appears by the name of existing Quangos whose abolition had been announced by the minister concerned at the time the list was prepared. In the first publication, the lists were prepared in the Autumn of 1979 and in the second publication the lists were prepared in the Spring of 1981 and included only those Quangos still operating in April 1980.

The reluctance of the establishment to get rid of Quangos is highlighted by the existence in the second publication of no less than 116 bodies scheduled for abolition that also appeared in the first publication scheduled for abolition! It may, of course, be argued that it takes a little time for bodies like the Supplementary Benefits Commission to be wound up. It seems a little lacking in enthusiasm, however, for departments to be unable to wind up simple advisory bodies more than a year after the decision is taken.

In this latter category there are such bodies as the Tate & Lyle Customer Safeguards Committee, the Independent Board of Visitors for the Military Corrective Training Centre, Colchester, the Committee of Enquiry into the Teaching of Mathematics in Schools, the Clean Air Council, the Housing Associations Registration Advisory Committee, the Health Services Board, the Standing Group on National Health Service Planning, the Advisory Committee on Radio Interference, the Community Education Forum, the Scottish Committee of the Health Services Board, the Careers Service Advisory Committee for Wales, and many more.

Remarkably, the Price Commission, the Metircation Board and the Location of Offices Bureau (whose demise was announced soon after the government took office in 1979) are still listed in the 1981 publication. It raises the question of the extent to which such demolitions are cosmetic. To spend several years running down Quangos that are no longer required enables a department to publish a lengthy looking death list year after year in the hope that no one will compare the names on each new list with those on the preceding ones — which appears to be a not very intelligent attempt by some departments to fudge the issue by creating inflated figures of Quangos to go. This is but one of the compelling reasons why vigilance must be maintained to see if the death list remains one of substance rather than a mere shadow show.

The Critique of Quangocracy

If the roads, the railways, the banks, the insurance offices, the great joint-stock companies, the universities, and the public charities, were all of them branches of the government; if, in addition, the municipal corporations and local boards, with all that now devolves on them, became departments of the central administration; if the employees of all these different enterprises were appointed and paid by the government, and looked to the government for every rise in life; not all the freedom of the press and popular constitution of the legislature would make this or any other country free otherwise than in name. — John Stuart Mill

Rule by Quangocracy?

Between 1964 and 1979 many new, large and powerful government agencies were established beyond the reach of Parliament. In many cases their lack of accountability to anyone other than the departmental minister who hired, fired and paid the appointees greatly enhanced the power of the executive at the expense of parliamentary democracy. They contributed substantially to the enlargement of the corporate state.

The establishment of statutory government agencies, and the appointment of royal commissions, prepared the ground for all kinds of lesser bodies to be set up by ministerial fiat. These, in concert, prompted public obedience to official pronouncements from ministers backed by nothing more legal than, say, a report of an Advisory Council on the Uses of Thermal Underwear.

The nation has in recent years become increasingly subject to commands, instructions and "advice that must be obeyed" issued by nominated official bodies of one sort or another covering every aspect of life, work and leisure. Thus, teachers receive instructions on how to do their work from the Equal Opportunities Commission. The Football Association is given advice on running its leisure centres by the Commission for Racial Equality. There are advisory committees to tell us which wrecks are historical, to devise bigger and more demanding statistical forms, to advise us where and how to spend our holidays, to protect us from our own fearlessness or carelessness, to tell us if we may pull down our houses, to instruct us on how we must train workers and how we must behave when at work. The spreading arms of the state stifled the initiative, regimented the life style and increasingly suppressed the freedom of the British people. Many of the bodies were created without the prior approval or even knowledge of Parliament. However, Parliament itself was to blame for the establishment by statute of the biggest and most powerful independent government agencies.

The cause of all this may have been apathy, but is more likely to have been a failure to see the individual details on the broad general canvas. In short, Parliament failed to understand the implications of the establishment of each new Quango in terms of the threat that large and growing numbers of such bodies posed for the democracy that members had been elected to defend.

Power was passing inexorably into the hands of unelected, unrepresentative executive nominees on a whole host of councils, commissions, committees, boards and authorities.

Lack of scrutiny by Parliament

In recent years the nature and numbers of Quangos have enabled the executive to engineer a shift of power away from the control and scrutiny of Parliament. Power has been bestowed on executive agencies of government about which the only permitted parliamentary questions are "Who has been appointed at what rate of pay?" and "What reports have been submitted to the minister, if any?". The creation of the new departmental select committee system in 1979 has marginally redressed the balance by making it possible for each select committee to question the activities of official bodies associated with each government department. But the size of the departmental work load on each committee and limitations on time imposed by the parliamentary schedule make the scrutiny of the work of Quangos a comparatively rare occurrence.

One solution could be a means of opening up the activities of all Quangos to the possibility of challenge at question time in the
House of Commons. This would have the twofold benefit of making it possible for hitherto unnoticed activities to be drawn to public attention, and of applying pressure on Quangos to eschew public spending that is not wholly defensible on grounds of making it possible to perform their basic functions.

Of the three thousand Quangos, of which some twelve hundred perform executive functions, few more than seventy are required to have their accounts audited by the Comptroller & Auditor General. So not only is there a lack of parliamentary control over the activities, but there is also a lack of financial accountability to Parliament as well. To the extent that Parliament is unable to exercise adequate control over Quangos, their power and scope are enhanced. To the degree to which this happens, the absolute power of the executive increases, and the purposes of Parliament are diminished.

Decline of democracy

Simultaneously, and as government has been passing into the hands of bureaucrats, so the rule of law on which our parliamentary democracy is based has been seriously eroded. Westminster-style democracy was founded on the system of laws enacted by an independent legislature but interpreted and enforced by a wholly independent judiciary whose members could not be dismissed simply because their judgements were unpalatable to the executive or Parliament.

As a result of the growth of judicial Quangos since World War II, that is no longer the case. By the beginning of 1979 there were 700 boards, committees, commissions, panels and tribunals performing judicial or quasi-judicial functions to which the appointments were made and could be terminated by the ministers responsible for the enactments they interpreted and, in many cases, enforced.

Such bodies include the Central Arbitration Committee set up by the Secretary of State for Employment to act as a final court of appeal with the ultimate power to enforce its decisions on several of the provisions of the Employment Protection Act. They also include Industrial Tribunals appointed by the Employment Secretary, Rent Assessment Panels appointed by the Secretary of State for the Environment, Traffic Commissioners appointed by the Home Secretary, and a whole host of Health & Social Security
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Appeal Tribunals. In some cases the Lord Chancellor is responsible for appointing a legally qualified chairman, but these legal experts are normally outnumbered on the tribunal or panel and can be over-ruled by the lay members appointed by the secretary of state responsible for the legislation they interpret and enforce.

Partisan administration of justice: two examples

Quasi-judicial Quangos, carefully selected by their ministerial lords and masters in considerable numbers, usurp some of the functions of the independent judiciary, thus undermining the rule of law on which our parliamentary democracy is based. There is, of course, a beguiling logic in suggesting that for homely, lay interpretations of the law we should establish informal tribunals made up of lay people who will apply their good sound common-sense to helping their fellow citizens. In practice it is not always the best way for justice to be done.

When the Advisory, Conciliation and Arbitration Service was established by the Employment Protection Act of 1975, it was charged with the general duty of promoting the improvement of industrial relations and in particular of encouraging the extension of collective bargaining (presumably, whether or not the second objective happened to be compatible with the first in any particular case). A.C.A.S. was then empowered to interpret and amplify the requirements of the law by issuing codes of practice as well as publishing general advice on any matter concerned with the subjects of industrial relations or employment.

The members of A.C.A.S. originally appointed by the minister responsible for the Employment Protection Act consisted of four with a wholly trade union background, three academics who had acted as advisers to major trade unions, a member of the staff of the C.B.I., a director of a nationalised industry and a director of a large company with international interests. This body was responsible for adjudicating on all disputes arising over trade union recognition issues, and with the aid of its associated Central Arbitration Committee, could effectively enforce its decisions. Does this suggest an impartial dispensation of justice? Does it even imply an objective interpretation of the requirements of the Act?

The problem is not solved by providing a more balanced
membership from the two sides of the collective bargaining table. So long as the body remains it is open to the Secretary of State of the day to make any adjustments to membership that he may think politically expedient. Restricting the function of the service to conciliation for the life of a Parliament does not prevent a widening of its scope without further recourse to Parliament on a change of minister.

When the Race Relations Act of 1976 amalgamated the Race Relations Board and the Community Relations Commission it created the Commission for Racial Equality. This combined the functions of both. One of its main responsibilities is to promote good conduct in the field of race relations and the other is to secure compliance with the provisions of the Race Relations Act and resolve differences arising out of those provisions. Thus one and the same body has the dual role of championing the interests of an anxious minority whilst determining whether a particular practice that operates to their disadvantage constitutes a case of discrimination in law.

The inevitable consequences of attempting to fulfil these two roles is that it has become recognised as a prejudiced pressure group for a small ethnic minority and appears to take little account in its judgements of the interests of the majority of indigenous people. A quasi-judicial body that by its nature has little chance of matching the impartiality of the courts must, and does, undermine the value of law.

A further example

Twin to the Commission for Racial Equality is the Equal Opportunities Commission set up under the Sex Discrimination Act of 1975 to secure the effective enforcement of the legislation in the public interest and to promote equal opportunities between the sexes and the elimination of discrimination. It was endowed with a multi-function role in the advisory, research and regulatory fields, and has all the characteristics calculated to bring Quangos into disrepute.

The full-time chairman is salaried with provision for a top civil service pension, terminal payment and, if necessary, compensation for loss of office. Some or all of these provisions are also extended to the supporting commissioners. The Commission is staffed at

least partly by civil servants on secondment, and all staff are on terms and conditions of service approved by the Civil Service Department.

The development of European institutions established to protect against the alleged exploitation of women has overtaken any need, if need there was, for the regulatory role of the Commission. As a result there has been a marked preference shown in the past couple of years for activists in the women's movements to take their grievances to Brussels rather than to Manchester. At the same time the Commission's dull, humourless and mechanical approach to its advisory and research responsibilities has made it a figure of fun and destroyed any potential credibility it might once have had.

Illustrative of this was its advice to teachers that little boys should not be allowed to play with trains, or little girls with dolls, as this constitutes 'sex stereo-typical activity'. This is not an isolated example of the sort of project on which the Commission spends public money. Five years after the legislation which gave it birth, the Commission produced a report on the experience of caring for elderly and handicapped dependents. After 'in depth' interviewing of 111 people in West Yorkshire who were responsible for looking after elderly or handicapped relatives, a voluminous report was produced and made available free of charge to anyone who wanted it, at the taxpayers' expense of course. It reached such hitherto unsuspected conclusions that there are more mothers, daughters and other female relatives caring for dependents than wives, but the same number of men and women were caring for a dependent spouse. It discovered that many of the tasks involved were extensions of normal housework. It also published such remarkable truths as 'caring for an elderly or handicapped relative can be an unremitting task 7 days a week, 52 weeks a year with no breaks, no holidays, no outings and nothing to look forward to'. The report contains virtually nothing that is not already known to anyone who takes an interest or is involved in the care of the elderly and the handicapped. This is typical of much of the mountain of paper produced by the Commission each month to justify its existence.

In March 1981 the Commission produced another of its many free handouts to extol the virtues and list the benefits of single-sex training for certain types of work. At first this would appear to cut across the whole principle of equality of opportunity irrespective
of sex. However, a further study reveals that whilst all training for all kinds of employment should be open to men and women equally, it is possible to justify exceptions when single-sex training applies to women only. This report was followed a week later by a draft code of practice on equal employment opportunities designed to ensure that the talents and resources of the whole work force are fairly and effectively used. (Managements that do not make effective use of the whole work force are unlikely to survive for very long, but the theoreticians on the Equal Opportunities Commission are presumably unaware of this.)

The effectiveness of the first four years' work by the Equal Opportunities Commission can best be judged by the findings of its fourth annual report published in 1980 about the basic requirement for equality in employment, namely equal pay. The report shows that in the three years before the establishment of the Commission, women's average earnings as a percentage of men's rose from 67% to 75%, and then between 1976 and 1979 they fell to 73% and were continuing to fall. In December 1980 the chairman revealed that research on job segregation showed little change in the degree of occupational segregation in Britain since the turn of the century.

In fulfilling its research function, the Commission regularly makes contributions to various projects. In 1980 it donated £46,787 towards the cost of eleven projects. These payments included £5,681 to employ an administrator to co-ordinate a campaign to restore Mrs. Pankhurst's house in Chorlton-on-Medlock, Manchester, and to establish a centre for the study of the women's movement worldwide. It is difficult to see how this promotes equality of opportunity on a non-discriminatory basis. Another £4,400 was donated to finance the research costs of producing a report *Women in the 80's* analysing the impact of the recession on women in and out of work.

The Scottish Convention of Women and the Women in Media think there should be a new Quango to act as a monitoring agency to combat the allegedly distorted images of women in the media. The Equal Opportunities Commission has, therefore, made a grant of £4,200 to a member of Women in Media to investigate the need for such a Quango. It would not seem to be unreasonable to conclude that this body is neither more nor less than a publicly funded pressure group for a few militant women's organisations.

We have surely had enough experience now to know that social attitudes cannot be improved, nor social justice imposed, by passing loosely drafted laws and then establishing well-intentioned enforcement agencies to see that their spirit is obeyed. For democracy to be soundly based, laws must be clear and specific, and be interpreted and enforced by the independent judiciary.

**Excessive patronage for politicians**

Yet despite the fundamental change that had long been taking place in our society as a result of the proliferation of executive, advisory and judicial bodies, and the vast increase in their powers that had taken place, a series of parliamentary questions over a period of several years up to 1978 elicited the astonishing information that no one really knew how many there were in total, how much they were costing the taxpayer, on what they were spending public funds or even, in some cases, what they were doing.

On this scale, the vast and complex network of Quangos encourages an abuse of patronage and it was noticeable that after five years of Labour government all the important Quanguru appointments were held by dedicated supporters of the Labour party. The Council members of the T.U.C. held 200 appointments between them. Prominent trade union leaders (and retired trade union leaders) held as many as eight or ten appointments each. Some partisan university dons were similarly rewarded. Indeed, at one time in 1978, one full-time university professor was chairman of no fewer than six Quangos, and a part-time member of five more. In the same period many area and regional appointments were bestowed on defeated councillors and party officials.

Thus, if undetected, a political party can perpetuate its control over large and expanding areas of human activity even after it has been defeated at the polls. It then becomes a short step to a totalitarian one party state. Quasi-Autonomous National Governmental Gurus have been exploiting a new kind of nominated power extracted, largely unnoticed, from the people's elected representatives. Quangos by their changing nature have become the outriders of the corporate state, diminishing democracy and eroding the rule of law. This is very much a phenomenon of the second half of the twentieth century even though Quangos have existed for two hundred years in more modest form and numbers.
Thus in broad general terms, Quangos threaten our parliamentary democracy in four ways. First by sheer weight of numbers they represent a vast extension of bureaucracy. They provide a _raison d'etre_ not only for their thirty thousand appointed members, but for many thousands more career bureaucrats on civil service terms and conditions of service. Second, many of them are not directly accountable to any parliamentary institutions for their activities or for the way in which they disburse or spend public funds. Third, many of them directly diminish the rule of law by performing judicial functions. Fourth, they are an incitement to ministers to abuse their power of patronage and so bring politics into disrepute.

**Lawmaking without Parliament**

As if this were not threat enough, the system has sometimes been used in a pointed manner to by-pass Parliament in achieving party political objectives. Mention has already been made of the way that _A.C.A.S._ and the _Central Arbitration Committee_ were originally appointed to promote collective bargaining coupled with trade union recognition.

Another typical example of a Quango set up to promote a political cause was established by the 1975 Industry Act. This was the _National Enterprise Board_. Its terms of reference authorising it to intervene in industry were very wide indeed. They were: ‘To assist or maintain or reorganise any industrial undertaking and extend public ownership into profitable areas of manufacturing industry; to promote industrial democracy in undertakings which it controls’ and ‘to hold and manage such public property as may be vested in it’. Its interpretation of what constituted ‘profitable areas of manufacturing’ was very liberal indeed, as witness its control of British Leyland.

Until the advent of the _National Enterprise Board_, companies could only be nationalised by means of legislation involving prolonged public debate and in the full glare of publicity. From 1975 onwards it was possible, by means of occasional statutory instruments, to increase the borrowing powers of the _Board_ without any further recourse to Parliament in order to maintain steady progress towards the nationalisation of all the means of production and distribution. For four years the _Board_ proceeded to take over company after company. By 1979 its industrial assets were considerable, if not all profitable, and they were growing in numbers at a steady pace.

A change of government has required the _N.E.B._ to dispose of some of its assets and to halt the acquisition of new ones. However, so long as it remains even in skeletal form it poses a threat to parliamentary control over such fundamental changes in our society.

On a much smaller scale, the _Health Services Board_ was charged with the task of phasing out pay beds from _National Health Service_ hospitals. The minister could thus avoid parliamentary cross-examination every time a reduction in the number of private facilities occurred. This, however, proved to be such an obvious ploy that the _Board’s_ demise was announced soon after the change of government in 1979, although it still awaits final abolition.

The system is also sometimes misused to give an air of respectability to the ultimate implementation of a political dogma. One such case was the _Royal Commission on the Distribution of Incomes and Wealth_. This was established to enquire into the distribution of incomes and wealth and deliberated for about four years on the subject. It was set up for the express purpose of providing an aura of respectability for the political aim of levelling down the incomes of the better off. But the government changed and the new one abolished it before it could produce a substantive report.

**Taxation without representation**

One set of reasons often advanced for the retention of many of the smaller advisory bodies is that they do no harm, they cost very little and their members are unpaid. The plain fact is that in the aggregate they strengthen the corporatist and bureaucratic trends in our society and so contribute to a change in that society that is damaging to the freedom we prize.

Conditioned as we are to nationalised industry boards, it may have been forgotten that the earliest nationalised industry covering both the postal and telecommunications service was once under the executive direction of a Postmaster General who sat in the House of Commons and was directly responsible to Parliament for
all its operations. In those days for a nominal charge the Post Office provided the assurance of a delivery anywhere in the United Kingdom on the morning after a letter was posted. It was a service that was the envy of the world.

Now the Quango boards, protected from parliamentary interference in their day to day management decisions, offer two classes of postal service at considerably inflated cost to the customer but cannot even guarantee the reliability of the first class service. In the meantime, the associated telecommunications Quango, beset with the technical problem of offering a reliable telephone service, spent a part of its first year apparently preoccupied with a world-shattering decision about what colour it should repaint its public call boxes.

It is an old axiom that there should be no taxation without representation. The new approach to Quangology over the past fifteen years has made that not only old but out of date. The Water Authorities charge most consumers not on the basis of the service they provide but rather on the basis of a percentage of the rateable value of the property they serve. The level of tax is fixed each year at a figure designed to produce the revenue needed by each Authority to meet its total outgoings in terms of supply, maintenance, administration, glossy headquarters and the maintenance of the board’s life style.

Similarly the Industrial Training Boards levy a tax on those companies that carry the burden of their edicts. Yet so far, no one has been elected to the Water Authorities or the Industrial Training Boards by those they were appointed to serve.

Rise of the mediocre

The Quangification that takes public activity beyond the reach of Parliament or local authorities often gives rise to ineptitude, inflates the egos of senior Quangurus, encourages poor service and invites corruption. It is antithetical to democracy; it is antithetical to justice; and it imposes costs on the public purse. As for its impact on our national character, it was no accident that the permissive society of the sixties and seventies coincided with the latest Quango explosion. Strident minority pressure groups were made respectable and given official status and the advocates of freedom without responsibility became eminent Quangurus.

Much of the weakness of Quango-style government must derive from the appointment to positions of influence people who could not of themselves command a following, and to positions of power those lacking the necessary decision making experience. In that kind of situation detailed critical scrutiny becomes of paramount importance. Unfortunately in a Quangocracy, where it is most needed, it is lacking.

Crowding out private effort

The dangers to our parliamentary democracy and the rule of law do not, however, constitute the only ones inherent in the proliferation of Quango-style bureaucratic bodies. There are additional threats to the efficiency and, in many cases, even the existence of privately funded bodies and institutions that are a recognisable manifestation of an essential part of the life of a free society. The possibilities for voluntary service and private initiatives in many spheres are diminished. Those who persevere are faced with ever increasing demands for regular returns and reports from each new body set up.

It may be argued, of course, that in all fields, and especially in the field of social service, an official body that can rely on the certainty derived from public funding can most easily meet the needs. It can equally be argued that as bureaucratic bodies grow in numbers, size and power, so they become more self-serving and less responsive to need. So in the pursuit of their own aggrandisement they impose impossible administrative burdens on the more cost-effective self help and privately funded bodies.

An example of the way in which the work of such bodies is increasingly impeded by the officialdom of our Quangocracy has recently been given by the chairman of one of them. She explained — ‘We are a small charity running a residential training centre workshop for severely handicapped young women. For nearly thirty years we worked very happily with the Ministries of Labour and Employment. However, since the Manpower Services Commission came into existence we have become increasingly disturbed at the proliferation of bodies seemingly formed to deluge us in unnecessary paperwork. Whereas the individuals in the Ministry of Employment were known to us, and their responsibilities clearly defined, today we deal with faceless acronyms, and
can not get a sensible answer or decision from anybody. In particular we feel concern about the Sheltered Employment Consultative Group and the Sheltered Employment Procurement and Consultancy Service.

According to the Manpower Services Commission, the former would not be 'merely a group which would meet, exchange information and discuss common problems' but one which would provide the main impetus for securing the Commission's aims, committed to trying to persuade members to adopt what had been agreed. A measure of its success would be whether it agreed positive courses of action and how far it was able to persuade others to implement them. The monitoring of their meetings held between January 1978 and February 1981 considered in this light would indicate 100% failure. Despite this, the group met in March 1981 to consider its own terms of reference, the composition of its members and subjects for future discussion.

Both the Manpower Services Commission and the Sheltered Employment Consultative Group now appear to be handing over all responsibilities to the Sheltered Employment Procurement and Consultancy Service despite the fact that this body was originally established solely to find public sector work for sheltered employees and provide a consultancy service if required. Since the beginning of 1981, the Procurement Service had taken over from the Manpower Services Commission the inspection of all sheltered employment workshops and all monitoring in connection with requests for capital grants. This is intimidating for all those many workshops which are at present highly critical of the Procurement & Consultancy Service. The latest proposal of this body is for the establishment of another two-tier committee to deal with the Priority Suppliers' Scheme. The two tiers are to consist of a Steering Committee and a series of sub-committees.

To suggest the abolition of Quangos operating in the social service and welfare fields is not to deny the right of a free society to take care of its disadvantaged citizens. On the contrary, it is to ease the administrative burdens of those with the experience and dedication to do the job, and thus to enable them to concentrate on the task of caring for their charges.

Advice is not information

To suggest, as some ministers do, that the wholesale abolition of technical advisory bodies would deprive ministers of a valuable aid to decision making is clearly wrong. Ministers should not confuse advice with information. Advice conveys the partiality of the adviser. Information is the fact on which a good decision can be made, or from which a logical conclusion can be drawn. A minister incapable of assessing wherein lies the balance of advantage when given the fullest information by a research, academic or professional institution must surely be found wanting.

Excuses given to and by ministers for the retention of Quangos vary according to the nature of their origins. They include "It would need legislation to abolish it;" "It doesn't cost very much;" "It is a cheap way of keeping people happy;" "They provide an opportunity for public service;" "There would be an outcry if we abolished it;" or "Its members give freely of their time and are very conscientious."

All sound like very good reasons except none of them answer the questions "Is it absolutely essential for the government of the country?" and "Is there any other existing, privately or publicly funded body that could perform the same function?" On the basis of those last two criteria, about 1,300 advisory bodies could be abolished and at least 75% of the 1,100 executive and judicial bodies could follow suit.

The governance of Quangos has a wide ranging and far reaching impact on the nature of a society born to freedom under an evolved parliamentary democracy. It imposes unnecessary financial burdens. It erodes the rule of law. It stifles initiative and enterprise. It discourages voluntary service to the community outside the control of ministerial appointment. It enlarges the public sector at the expense of the private sector. It expands the corporate state.
A train of abuses

But when a long train of abuses and usurpations... evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government, and to provide new guards for their future security.

— American Declaration of Independence

Towards a definition

Everyone holds a personal view of what constitutes a misuse of public funds. Such a view frequently includes any action of the government with which the individual disagrees. Yet definition there has to be so that all that follows has a specific meaning.

In the context of the Quangocracy it must be a misuse of public funds to establish at public expense a body to duplicate a source of advice that is already available from a government department or a privately funded source. It is similarly a misuse of funds to set up a body to perform functions that are already within the capacity of well established privately funded organisations. It is an even greater misuse of public funds for a government department to hive off most of its functions to Quangos without simultaneously bringing about its own extinction. However, the commonest example of financial profligacy is inherent in the tendency of Quangos to multiply and produce not one but a whole family of official bodies to deal with the same subject on a geographical or variety basis.

Thus the first part of any proposed definition of what constitutes a misuse of funds must concern itself with that arising from the establishment of a Quango. The second part must be concerned with what happens after the body is established; in other words, the Quango’s running costs and the way it spends public money on optional projects. Many advisory bodies controlled by unpaid Quangurus cost the nation very little. Yet every one that produces a report or performs any function requires a secretariat, however small, and a back up service in the sponsoring department. An individual advisory body may only cost peanuts, but there are a thousand advisory bodies, and a thousand times peanuts is a recognisable sum even to the national exchequer.

What remains within the definition is the misuse of public funds by the executive agency type Quangos. This may result from commercial ineptitude, the lack of normal business disciplines imposed by the need to be profitable, a desire to establish a new identity distinct from its sponsoring department or parent Quango, or a sudden rush of power to the head of a political appointee unused to exercising control of a large and powerful organisation.

The flood of Quangos

Every department of government has at some time or other established advisory bodies to give ministers the sort of advice that ought to be available to them within their own departments. The Ministry of Agriculture, for example, had at the time of the 1979 general election bodies to offer the minister advice on the banana trade, pesticides, the relationship between agriculture and horticulture, agriculture statistics, badgers and tuberculosis, experimental centres, animal welfare, the artificial insemination of cattle, flood protection, food standards, food additives, hill farming, plant varieties, poultry diseases, cattle breeding, veterinary products and many more. Most of these continue to flourish.

It would be interesting to speculate on the qualifications needed to be a senior executive in the Ministry of Agriculture, or the reasons for the level of salaries paid to the departmental technical advisers. Perhaps it is unfair to single out the Ministry of Agriculture for this kind of criticism since it is by no means unique.

The Department of the Environment has recently abolished its Advisory Committees on Bird Sanctuaries in Royal Parks; on

1It may be argued academically that ‘misuse of funds’ and ‘financial extravagance’ are not synonymous. The first has a criminal connotation and the second denotes mere folly. In the context of this definition no criminal intent is implied. The term ‘misuse’ denotes only that public money has been spent unnecessarily or less than optimally in the achievement of government objectives.
Sculpture in Royal Parks, and on Trees in Royal Parks. It has also abolished, among others, advisory committees on Hadrian’s Wall, ancient monuments, and archaeology. But it still retains an Ancient Monuments Board, an Historic Buildings Council, a Property Advisory Group, and a Scientific Authority for Animals, whatever that may signify.

At the last count in the early part of 1981, the Department of Health and Social Security maintained some forty advisory committees and groups to advise the minister on almost every conceivable aspect of health and medicine. Such information as may not be available within the department itself should surely be available from the medical faculties of universities, the teaching hospitals, and the professional bodies.

Duplication of private effort

More obviously wasteful are those bodies established to duplicate an existing privately funded source. There were no fewer than three advisory committees to advise the Secretaries of State for the Environment, Scotland and Northern Ireland about which wild birds should be protected species. Without these three committees all the expertise and advice would still be available from the privately funded Royal Society for the Protection of Birds. What is more important than the minimal amount of expense involved is the unnecessary extension of bureaucracy. This is but one of many examples of the exercise of political patronage to duplicate the activities and research of existing non-political organisations.

A much more substantial cause of the duplication of facilities that already existed in order to exercise a measure of ministerial control arose when Prime Minister Harold Wilson created a Minister of Sport to make use of the talents of a former Football Association referee. The newly appointed minister, in order to justify his existence and to create the means by which he could (at least indirectly) intervene politically in sport, established the Sports Council as an advisory body and to dispense government grants. His successor, a Conservative Minister of Sport, established it in 1972 as an executive body with a royal charter and added a Sports Council for Wales, a Sports Council for Scotland and a Sports Council for Northern Ireland. The Northern Ireland one has since been abolished, but the other three remain.

For more than thirty years prior to the existence of the Sports Councils, the development of sport and recreation throughout the British Isles had been the responsibility of the Central Council of Physical Recreation. Its membership included nearly all the governing bodies of national sporting activities as well as the bodies concerned in the development of recreational facilities. The government thus had, and still has, a clear channel of communication with all the principal sporting bodies. This is a facility not possessed by the Sports Councils, which on the other hand can and does operate without it — at a cost. The Sports Councils are so intent on their independence from all other sporting bodies, that much needless duplication of facilities occurs in their disbursement of public funds.

In 1979/80 the Sports Council spent £16 million, of which its own administration accounted for £3 million. The Sports Council for Wales in 1979 spent £2.3 million of which £0.5 million was the cost of its own administration. The figures for Scotland a year earlier were £2 million and £260,000. So the cost of administration of these three duplicate bodies in 1981, at a very conservative estimate, is of the order of a little over £4 million. Yet the C.C.P.R. at little more than its present cost of administration could perform the same function.

Duplication of other official bodies

The Sports Councils, however, are not content with duplicating the work of the C.C.P.R. They are not avverse to duplicating the expenditure of their associated Sports Councils. An example of this has recently been seen in the Snowdonia area of North Wales. In 1980 the Sports Council for Wales, at its own suggestion and on its own initiative, formed a Welsh Mountain Leader Training Board and started building a national outdoor centre on the coast at Plas y Deri near Anglesey at a cost of over £2 million of taxpayers’ money. This work commenced in spite of the clearly expressed opinion of the mountaineers of Wales through the recognised national body of mountaineering in Wales (and mountaineering opinion generally in the U.K.) that these moves were entirely unnecessary and wasteful of public funds.

The National Outdoor Centre for Wales will provide training in mountaineering, canoeing and sailing. In most of the activities it
will exactly duplicate the facilities available about thirty miles away at Plas y Brenin. This last centre was established in 1972 by the Sports Council as a national centre for mountain activities in England and Wales. It was so recognised at the time by the Secretary of State for Wales. For those wishing to take advantage of the mountaineering and canoeing facilities at the Plas y Brenin national centre, the occupancy level during the five years from 1975 to 1980 varied between 62% and 65.5%. Its budgeted running costs for 1980/81 showed an estimated deficit of £315,000 with a further estimated £50,000 to cover other costs including central administration in London. The deficit is justified by the Sports Council on the grounds that Plas y Brenin is the national centre for mountain activities for England and Wales where the elite are trained as instructors, teachers and coaches who then go out and pass on their knowledge and experience to others. Yet in 1979/80 only 22% of those passing through the centre were in this category; 78% of all those attending courses were novices.

For this last category there are also some seventy other outdoor pursuit centres in the general area of Snowdonia, all of them competing to a greater or lesser extent for the limited demand. Nevertheless the Sports Council for Wales has decided it wants a piece of the action at an initial cost to the taxpayer of £2 million. There is no way of knowing what further subsidies will be required for running the new centre in an area where there is patently over-provision.

Thus in order that the Sports Council for Wales may justify its existence, expand its empire and squander public money, there is now a second provision in North Wales calling itself a national centre, funded by the taxpayer with the primary aim to train coaches and leaders in mountaineering and canoeing. As the under-occupancy at Plas y Brenin shows, people wanting to take advantage of the second provision do not exist. What the British taxpayer is having to subsidise is likely to be at worst a white elephant, and at best a leisure centre for the local people of Caernarvon which should more properly be charged to the ratepayers.

Under its royal charter, the Sports Council for Wales is naturally expected to consult all interested bodies before embarking on a new project. There is not much evidence to show that it consulted either the recognised national council concerned with mountaineering, or the independent Welsh Sports and Games Committee and the Mountain Walking Leader Training Board. Indeed there is clear evidence that all three bodies expressed their gravest concern over the establishment of what was felt to be wasteful duplication at a time of national financial stringency.

The Sports Council for Wales appears to have sent a questionnaire to local education authorities on its own initiative and interpreted their replies to produce the conclusion it wanted. Apparently it is on this basis that the Council claims it has established Plas y Deri in response to a demand from potential users. Yet the secretary of the Committee for Wales, which is the national body of mountaineering in the principality, described the project as bureaucratic nonsense. The chairman of the Association of Welsh Climbing Clubs stated firmly that such a development was not wanted by those engaged in the sport, and that the Sports Council for Wales ought to know better. It has also been widely condemned by the elected members of the national bodies concerned with the sport, some of whom described the Council’s royal charter as effectively a bureaucratic proliferation charter.

Thus in the teeth of opposition from the recognised official sports bodies, the Sports Council for Wales spends more than £2 million of taxpayers’ money to duplicate facilities that are already considerably underused. This wilful insistence on having its own way in the teeth of opposition from all appropriate sports bodies and in spite of the obvious lack of need can only be ascribed either to bureaucratic arrogance or determined empire-building.

The Sports Council was established to develop sport and physical recreation in Great Britain at public expense. Since it holds the government purse strings to the extent that it can more generously reward its supporters and withhold financial aid from its opponents, criticism of the Sports Council by the voluntary governing bodies is understandably muted. Nevertheless, by its nature, the Sports Council cannot achieve its objectives unless it is able to promote a harmonious working relationship with all the elected governing bodies. This it has not so far been able to do.

Responsibility for the administration and funding of sporting activities is split five ways. First, the government allocates public funds to the Secretaries of State for the Environment, Scotland & Wales for the Sports Councils. Funds are also made available through the Department of Education & Science for local
authority grants. Second, the *Sports Councils*, whose members are appointed by the Minister for Sport, and the Scottish & Welsh Secretaries of State, grant aid to the construction of facilities and the governing bodies of sports in their respective areas. Third, the Central Council of Physical Recreation is a federation of all the British governing bodies of sport. Each body is responsible for the general administration of its sport in Britain and co-operates with government bodies in other countries. It is also concerned with the selection and training of international competitors and the organisation of competitions and championships in Britain. Fourth, the British Olympic Association is responsible for British participation in the Olympic Games. Fifth, the Sports Aid Foundation, which is privately funded, supports top level international competitors in association with their governing bodies.

The history of the past nine years since the establishment of the three *Sports Councils* under royal charter has clearly demonstrated that the system is prone to unnecessary duplication of effort and an uneasy relationship has continued between the *Sports Councils* and the governing bodies they are supposed to be encouraging. The essence of the confusion stems from the nature of the three *Sports Councils*. These are not accountable in the generally accepted sense either to Parliament, or to the elected sporting bodies. Appointed directly by ministers, the *Sports Councils*’ members are not representatives of the various sports groupings.

As a result there is no direct method of establishing nationally a coherent and acceptable policy which reflects the wishes of those organisations that are responsible for the month by month administration and development of sport in the United Kingdom. This confusion is compounded because when the *Sports Councils* is asked from time to time by the government to attend international meetings and conferences, its lack of direct contact with the governing bodies limits severely its ability to present a British view which reflects British sports opinion.

There is no doubt that so long as governments sustain a Minister of Sport, so the taxpayer must support financially a team of *Sports Councils*. To reduce the burden of three superfluous Quangos it may be necessary to abolish the Minister of Sport and his sub-department. There really is no reason why the Secretary of State for the Environment should not directly fund grants-in-aid to be allocated by the representative members of the Central Council for Physical Recreation in the best interests of sport. Thus it is that no matter how efficient or cost conscious the members of the *Sports Council* may be, the fact of their existence is an extravagance. Whilst the bodies have been dealt with in some detail they are by no means the only examples of this kind of wasted resources.

**Over-development**

Another obvious example of Quangos in this category is the *Development Commission* which in 1980 received a total income of £18.6 million for development purposes. After deducting £365,468 for its administrative expenses it passed the bulk of the balance over to the *Council for Small Industries in Rural Areas, C.O.S.I.R.A.* then deducted about £2.36 million for its own administration costs and used the balance to build advance factories where it deemed these would attract light industries, and to make grants that would help village industries to develop. Whatever the wisdom of *C.O.S.I.R.A.*’s disbursements of public funds may be, it clearly appears to be a waste of public funds to maintain a middleman organisation called a *Development Commission* very largely to act as a postbox for government funds. To what extent other Development Agencies could be pruned ought to be the subject of critical scrutiny by the appropriate secretaries of state.

Those products of the nanny state, the forty three *Nationalised Industries Consumer Councils* have in practice proved to be of little use to the public at a drain of £2.2 million on public funds. This is not due to any lack of dedication on the part of the members of the councils or their staffs. It derives from the nature and lack of power of the bodies. They are too remote from the man in the street and they lack any teeth. An aggrieved customer of a nationalised industry can more easily make contact with his citizen’s advice bureau, or his Member of Parliament. The *Nationalised Industry Boards* like to have their *Consumers’ Councils*. The Boards often use the *Councils* as an excuse in case of increases in charges, and as a prop when charges are questioned by the customer.
Further examples of financial profligacy arise from the retention of bodies after they have outlived their usefulness. In the past this has applied to most of the Wages Councils and Industrial Boards. Increasingly these are coming under scrutiny and there are hopeful signs that current thinking in respect of these may be developing sensibly.

In 1964 it was thought desirable to introduce a new element of control which was known as Industry Training Boards. Indeed it was the Wages Councils in most cases are performing a function that was required when industrial relations in the industries were either fragmented or underdeveloped. With the extension of the principle of employment it was estimated that the employers in these industries would require the equivalent of about 1,250 full-time permanent employees. As a result the Ministry of Labour was concerned to ensure that such bodies were established where they were not already in existence and that existing bodies were expanded and strengthened. It was hoped that such a development would help to ensure that the appropriate level of training was provided to meet the needs of the industry.

In the event it was found that the industry training boards were not able to meet the needs of the industry. As a result it was decided to establish a new type of body, the Independent Training Board. These bodies were established in a variety of industries, and were intended to provide a more flexible and responsive form of training than was provided by the Industry Training Boards. They were also intended to be able to respond more quickly to changes in the industry, and to be able to adapt their training programmes more easily to the needs of the industry.

The independent training boards were established on the basis of the 1964 Act, and were intended to provide a more effective means of providing training for the industry. They were established in a variety of industries, and were intended to provide a more flexible and responsive form of training than was provided by the Industry Training Boards. They were also intended to be able to respond more quickly to changes in the industry, and to be able to adapt their training programmes more easily to the needs of the industry.
regarding grants or levy abatement. It is hardly surprising that the impression was created that the Board is only concerned with its own fund-raising activities and the development of a bureaucratic system involving a mountain of in-house paperwork and records.

This criticism is typical of that voiced by many company executives about a variety of Industrial Training Boards.

Early in 1981 a working party established by three manufacturers' associations in the engineering industry produced a memorandum on its study of the need for the Engineering Industries Training Board and the value of its operations. The survey covered 23,167 engineering companies in the electronic, aerospace and motor manufacturing industries which employed between them a total of three million employees. For manufacturing operations on this scale, the companies found it necessary to employ 9,969 full time and 51,849 part time training staff, or one per 83 employees. By contrast, the Engineering Industries Training Board with a total payroll of 823 (of which an estimated half are concerned directly with training) works on a ratio of one training adviser for each sixty establishments, or one for every 7,100 employees.

Of course the task of the Training Board is not quite so formidable as that, since 93% of all companies with more than 1,000 employees are exempt from a training levy because they already train in excess of what the Board deems to be necessary. This means that 3,358 companies employing 2,144,162 employees do not need or receive any attention from the Engineering Industries Training Board. A further 17,503 small companies employing in total some 370,208 persons are excluded because of their size. The Board, therefore, is only concerned with 17% of the total number of employees in the industry or 11% of the companies. From the beginning it has concentrated the grants it does pay on the training of craftsmen, technicians and first appointment engineers. Indeed in 1979-80 about 97% of all grants from the Training Board went to these three categories of initial training schemes plus a few clerical training schemes.

This inflexible approach cannot meet the need in an era of rapidly changing technologies where re-training in new skills is vital if industry is to remain innovative and competitive. It has shown itself to be too rigid to react quickly to changing industrial patterns, and very largely superfluous to the needs of the industry as a whole. It is hardly surprising, therefore, that its main impact appears to have been to impose a cash levy on companies too small to be able to afford training schemes, thus helping some of them towards insolvency in times of recession and reducing in total the employment opportunities in the industry. The cost to the taxpayer of the Engineering Industries Training Board is £22 million, plus a further £42 million from the industry.

**Come in, DoE, your time's up**

To the Manpower Services Commission the Department of Employment has transferred its functions relating to recruitment, training, unemployment and related statistics. It has transferred its industrial relations advisory, conciliation and arbitration responsibilities to A.C.A.S. and the Central Arbitration Committee and its enforcement of employment protection to Industrial Tribunals. Its industrial safety and health regulatory, monitoring and enforcement activities have been transferred to the Health & Safety Executive under the direction of the Health & Safety Commission. In order to justify the continued employment of a Secretary of State, three under-secretaries and 22,000 civil servants, it acts as agent for the Department of Health & Social Security in paying out unemployment benefit, issues work permits for aliens from outside the E.E.C. area and represents its Quangos' interests in Parliament. In other words, as a Department of Employment, it has been effectively phased out as a result of legislation it has sponsored under the Conservative and Labour governments of the 1970s.

The question arises as to whether it would be more cost effective to phase out the Department or its Quangos which employ in total 28,672 civil servants to perform the employment functions. The running cost of the Department of Employment is £214 million a year. That of the Manpower Services Commission is £325 million and the cost of the Health & Safety Commission's executive is £74 million, to which should be added about £12 million for A.C.A.S. Thus the total administration costs of the main employment Quangos is £411 million to which it would be fair to add approximately £46 million for the publicly funded administration costs of the Industrial Training Boards.
The classic case

Clearly the largest employment Quango in terms of expenditure, size of staff and number of functions is the Manpower Services Commission. This, therefore, merits more detailed attention than its lesser associates. In its first six years of existence it has expanded its staff to exceed 25,000. It nevertheless apparently also needs the services of about three hundred advisory bodies.

At the outset of its existence, the Manpower Services Commission proved to be a classic case of a Quango determined at all costs to establish its own identity separate and distinct from its sponsoring department. To this end it set about transferring its job centres to prime city sites wherever these were available, at considerable cost to the public purse. It also embarked on an expensive expansion of the total number of job centres as well as an extension and strengthening of those parts of its functions that duplicated the activities of a well established private sector.

By the end of 1980 the number of job centres had risen to 672 and the Manpower Services Commission planned to increase the number to 1,020 by 1983-84. Prior to the introduction of the first job centre in 1973, the Department of Employment exchanges were responsible for both registering the unemployed and paying them unemployment benefit. The payment of unemployment benefit is still the function of the original offices, but their other functions are now performed separately by the job centres. Supplementary benefit (which is payable in many cases to the unemployed) is available at offices of the Department of Health & Social Security. Clearly, enormous economies would accrue from handling the whole job in one office. Even more economies would result from siting the job centres in less expensive areas, and considerable economies could be made in the furnishing and decoration of job centres. Such a move might even improve their efficiency at their prime task of marrying the unemployed on their books with suitable vacancies.

To cater for its 1,600 headquarters staff the Manpower Services Commission has acquired a futuristic new eleven storey office block in Sheffield with restaurants and leisure facilities which include a squash court, at a cost of some £15 million. The planning for this, and expenditure on it, have been going ahead at a time when unemployment has been high and rising rapidly. It could be argued that at such a time the effort and cash could have been better spent by an organisation responsible for devising and operating schemes to meet the needs of the unemployed. (On the other hand it could be argued that the building of this splendid headquarters has at least provided employment in the construction industry in Sheffield! Not all its other schemes for tackling training and unemployment have been as effective.)

The twelfth report of the Public Accounts Committee in the 1979-80 session of Parliament reported under-occupancy of the skill centres which had been a feature of the Commission's operations since its earliest days. The Committee had reported in the 1974-75 session on the under-occupancy and thirty per cent failure rate of skill centres, but the Commission still pursued a policy of expansion. The more recent report revealed an estimated capital expenditure of £72.8 million at 1978 prices for an expansion programme covering the years 1978 to 1983. With the occupancy rate down to 72% of the 18,600 operational places in 1978, and the annual running cost of each unoccupied place at about £3,300, the total cost of the unoccupied places at skill centres would, therefore, be over £17 million annually. Against this background it had been decided to increase the number of places by a further 4,000 by 1983.

In early 1980, Sir Derek Rayner reported on an investigation he had conducted into the efficacy of the skill centre project and recommended closing down five skill centres and five annexes. He also recommended abandoning or postponing the provision of seven proposed new skill centres, an annexe, three proposed extensions, and two replacement centres, whilst further suggesting that four other skill centres whose performance gave cause for concern should be reassessed on any improvement in performance that might take place. So much for the competence of the Manpower Services Commission in relation to its principal training and retraining scheme.

It has, of course, also been responsible for individual specialist schemes. One example of these was its underwater training centre at Fort William. The twelfth report of the Public Accounts Committee dealt very fully with the way in which this project was set up and administered. Apparently in 1974 an inter-departmental study group appointed by the Department of Employment to consider the need for divers for the offshore oil industry
recommended that government and industry jointly should set up a training centre in Western Scotland to provide basic deep and specialist underwater training and to develop training standards and methods. It was accepted that the industry should be concerned with providing and financing its own training, but was thought that a government involvement would help to give an impression of independence and impartiality.

Clearly the ideal would have been a Trinity House type of organisation on a small scale. The *Manpower Services Commission*, however, considered that the development of training standards should be matters for a public institution and decided that the centre's capital should be provided entirely out of public funds. In its first three years of operation the centre incurred running losses of £1.16 million which were met by the Commission. In addition the Commission made loans of about £300,000 to the centre, repayments of which were seriously in arrears in 1979. Early in 1977 the Commission had been told by the Treasury that if heavy losses continued, the viability of the project should be reviewed in 1979. The Commission, after reviewing the project, recommended that the centre should be given a further limited lease of life.

When questioned by the Public Accounts Committee, the Commission regretted it had been unable to persuade the industry to make a contribution. The comment of the Public Accounts Committee was that the industry all along had the powerful incentive of self-interest to ensure that an adequate number of properly trained divers became available and would no doubt have met the cost, as necessary, to meet their objectives. Nevertheless, while the *M.S.C.* was prepared to finance the centre with public money, industry certainly had no inducement to contribute.

These examples illustrate only some of the ways large bureaucratic bodies find of spending public money. They do not attempt to offer a comprehensive picture. The Commission's extravagance with both finance and manpower in relation to the Youth Opportunities Programme is highlighted by the Public Accounts Committee in its twenty fourth report to the 1979-80 session of Parliament. The *Manpower Services Commission* is one of only about seventy Quangos whose accounts are subject to audit by the Comptroller & Auditor General, and whose members may therefore be cross-examined by the Public Accounts Committee. Any examples of profligacy with the public purse brought to light by that Committee, therefore, represent only the tip of the iceberg.

Apart from the more obvious manifestation of empire-building, an executive agency of government can justify an inflated staff by setting up separate departmental administrative organisations to deal separately with each function. For example, the *Manpower Services Commission* carries out the task of matching an unemployed person to a vacancy through the operations of nine major sub-divisions and a number of lesser departments. The advantage of this is that the greater the multiplicity of divisions of labour, the larger the number of management and administrative vacancies within the organisation.

Thus although some 1,500 people are employed in a division specialising in services for disabled people, there are another 1,000 employed in a division specialising in meeting rehabilitation needs. Whilst more than 500 people are engaged in recruiting for the Training Opportunities Scheme, more than 8,000 are required to administer the scheme in a separate division, whilst yet another division employing a couple of hundred specialises in recruiting for "special programmes". ¹ Although the general placing service employs more than 8,000 people, a further 6,500 are needed to man the specialist sub-sections of the placing service.

The same kind of thinking is reflected in the nature of the advisory boards and committees to which appointments are made by the *Manpower Services Commission*. For example, there is a Services Resettlement Committee for Scotland and a Services Resettlement Committee for the South and South East in spite of the existence of an Advisory Committee on the Resettlement of Ex-Regular Members of H.M. Forces covering the whole of the United Kingdom including Scotland, the South and the South East. This is not a unique example. There is a *Sheltered Employment Consultative Group* as well as a National Advisory Council on the Employment of Disabled People to advise the in-house division of professionals specialising in services for disabled people (including sheltered employment) already referred to.

¹The figures quoted relate to 1980/81.
Housing

Another Quango controlling substantial public funds which has also been the subject of investigation by the Public Accounts Committee is the Housing Corporation. By 1979 it controlled the allocation of funds for approximately one quarter of the United Kingdom's publicly financed housing programme. In the same year the Public Accounts Committee produced its report on the activities of the Corporation. The Housing Corporation is not subject to regular audit by the Comptroller & Auditor General but he does have access to its accounts. In the five years preceding the examination by the Public Accounts Committee, the Housing Corporation had registered more than 2,750 Housing Associations which in the last three of those years obtained project approval for 150,000 housing units. At the end of March 1978, outstanding loans to the Corporation for distribution to Housing Associations totalled about £560 million. Housing Association capital grants payable out of public funds to the Associations by the Corporation were of the order of £650 million and deficit grants were expected to be of the order of £15 million.

It emerged from the investigation that there appeared to have been an inadequate vetting system by the Corporation before it registered Housing Associations and few subsequent monitoring visits to check on the expenditure of the grants and loans by the Housing Associations. By the end of 1978 only 70 such visits had been carried out. Accounts of the Associations were only to be rendered on request and the P.A.C. found this to be an unsatisfactory arrangement.

Under section 19 of the Housing Act 1974, the Corporation was empowered to initiate special enquiries and audits and to remedy any apparent misconduct or mismanagement. Such enquiries were initiated into the affairs of only thirteen Associations. The Public Accounts Committee expressed concern about the thoroughness of the Corporation's vetting and monitoring and the quality of management of the Housing Associations. Several of the very limited number of section 19 enquiries had revealed the cases of a number of individuals who appeared to have misused their positions for personal gain.

1With, of course, the help of the Housing Associations Registration Advisory Committee.

Of course the Comptroller & Auditor General's enquiries and the examination by the P.A.C. concentrated on accounting procedures and the exercise of control by the Housing Corporation over the use of the public funds it provided to the Housing Associations. Management efficiency, which also bears on the cost effectiveness of the operation, is certainly a factor for consideration. In 1975/76 the Corporation gave approval and the necessary grants and loans for 38,277 units of accommodation. To carry this work load it employed a staff of 388. To approve an almost identical number of dwellings in 1978/79 it required a staff of 550. To approve a total of 40,000 dwellings one year later it had increased its number of employees to 687, and its administration costs were of the order of £5 million.

There are a number of alternative ways of performing the 'distributor' function of the Corporation as, for example, payment of grant direct by the Department of the Environment on application by a Housing Association, or through the local authorities acting as agents for the distribution of sums up to a pre-determined maximum. In either case those responsible for handling the funds in bulk would be directly responsible to the general public and their activities subject annually to public audit. Any alternative solution could well save more than the £5 million administration cost without the slightest reduction in the number of accommodation units being built.

Tourism

The spending agencies which disburse block grants of public money in their fields at their own discretion also include bodies like the Arts Council and the Tourist Boards. Those agencies that are not self-financing are now spending a great deal of taxpayers' money. As has been shown already, independence from the appropriate ministry has seriously eroded accountability and thereby any possibility of the control of public expenditure. Often there were complaints of internal politics within agencies where the democratic disbursement of funds may be neither desirable nor practical.

Second, some agencies may simply be spending public money in an area that could easily be left to that part of the private sector of the economy that benefits directly from their operations. The various tourist promotion agencies are an obvious example.
Between them the British Tourist Authority and the English, Welsh and Scottish Tourist Boards spent £26.6 million in 1978/79. When the value of the pound fell in relation to the dollar, more foreign visitors arrived in Britain and the Tourist Authority and Boards publicised the figures as justification for their existence and expenditure. When the pound rose in value, the tourist agencies explained that this had caused a drop in the number of visitors. There is, of course, no way of knowing whether an American visitor visits Stratford-upon-Avon because of the efforts of an American travel agent, the advertising of British Airways, or the publicity of the British Tourist Authority. Nevertheless, if the tourist industry believes that such tourist agencies attract more custom for our transport and hotel operators, then surely it should be for the operators out of their increased profits, or expectation of increased profits, to establish and pay for such agencies. There really can be no justification for the taxpayer to pay up to £25 million in subsidy to a profitable industry.

The costs of self-image

Among the larger Quangos intent on breaking with their antecedents at public expense was the British Rail Board that, having inherited four separate regional networks each with its own livery familiar to the travelling public, decided to make a change and redecorated in new standardised colours all its rolling stock on all four regions. The expenditure involved added nothing to the efficiency of the rolling stock, nor the courtesy of the staff. Yet at the time, and since, the railway has needed heavy subsidies from the public purse. There must have been more profitable ways of spending revenue from the taxpayer. The recent separation of Telecom from the Post Office stimulated the new board to consider painting all red telephone boxes yellow. The public had been accustomed to seeing and using red telephone boxes as long as these had been a public service. To paint them all yellow, apart from the initial confusion this might cause, adds nothing to the service. It doesn’t stop vandals from wrecking the apparatus. It doesn’t cut the cost of using the service.

There is, too, evidence of a substantial number of trivial ways of wasting public money by bureaucrats lacking the need to be profitable. It was reported some three or four years ago that the chairman of the North Western Water Authority had authorised the expenditure of £1,000 to purchase a cherished number plate for his personal car that has the initial letters of his Authority. One thousand pounds expressed as a percentage of the Authority’s total revenue is, of course, infinitesimal, but multiplied by the number of times public authorities indulge in non-productive spending it soon appears as an appreciable waste of resources.

Form-filling

In the world of the Quango, one of the most prolific sources of the unprofitable expenditure of both time and money is to be found in the creation, distribution and completion of forms. The greater they are in numbers, and the more complex in nature, the greater the success with which the responsible Quanguru is crowned. When a householder buys a house in certain regions of the Severn-Trent Water Authority area and applies for mains water to be reconnected he receives a form of application from the Authority. The form requires not just his name, address and telephone number and the date on which he moves into residence. It also requires the name and address of the vendor, his solicitor and his estate agent plus the name and address of the purchaser and his solicitor and his estate agent. This information is not a legal requirement. It simply constitutes a verbose and pointless piece of bureaucracy.

In the House of Lords debate on Quangos on the 15th November, 1978, the case was quoted of Mrs. Nicola Wilson who applied to British Rail for a vacancy that existed for a rolling stock cleaner of the bucket and mop variety. Her application form contained 78 questions to be answered. One of them asked ‘Would you be embarrassed if you had to strip off in a nudist colony? Answer: (a) Yes (b) Doubtful (c) No.’ Another question asked whether she preferred people who were (a) reserved, (b) in-between, (c) made friends quickly, and whether she preferred having lunch (a) with a lot of other people, (b) in between, or (c) by herself. However, it seems the question that floored her utterly was ‘Would you like to be (a) a bishop, (b) doubtful, or (c) a colonel?’ As she was not at all doubtful about not being either a bishop or a colonel she failed to get the job.

No one in British Rail could apparently believe that she only wanted to clean trains, so she remained unemployed and British
Rail remained short of a train cleaner. It is impossible to estimate what it cost to design, print, distribute and discard such a complicated application form for cleaners, but British Rail has needed increased government subsidies ever since that date.

Undoubtedly the biggest problem facing any government at the present time is the size of the Quangaroo-controlled public sector in Britain.

With the nationalisation of large sections of transport, post and telecommunications services, water, health, power and energy resources as well as shipbuilding and part of the motor industry as examples, it has to be admitted that the public sector holds most of the commanding heights of the economy. There can be no more fruitful field for people who can negotiate in industrial relations free from the possible penalty of bankruptcy no matter what the size of the settlement. Indeed, the industrial malaise of recent years has been to a considerable extent the product of the resultant drain on the nation’s resources.

That is, of course, only one aspect of the problem of nationalisation. Freed from the restraint of market forces and the discipline of the need to achieve profitability during the early years of their existence, the nationalised industries tended to develop bad habits. They incorporated costly and wasteful bureaucratic procedures. They embarked on departmental empire-building techniques. They operated on the basis that the status of a management appointment depended to some extent on the number of subordinates he had rather than on the profitability of his activities.

Old habits die hard, and more recent attempts to restrict the financial drain of government handouts to the nationalised sectors of industry have not met with unqualified success. They have been hindered by the practice in early years of making senior appointments to the boards on purely political grounds, so that unsuitable and inexperienced friends of ministers were given administrative control of large industrial and commercial organisations. Thus an abuse of patronage can lead to financial extravagance due more to lack of management skills than to design. However, much has already been written about the financial irresponsibility engendered by the act of nationalisation and its resultant extinction of the profit motive. In deploiring the duplication of functions it would be inappropriate on this occasion to waste time and space duplicating arguments already well deployed elsewhere.

None should escape scrutiny

To demonstrate that no Quango should be exempt from scrutiny or beyond question, consideration might be given to, say, the Charities Commission, which consumes up to £2.5 million a year of public funds.

The Commission was set up in its modern form by the Charities Act 1960. The three Commissioners are appointed by the Home Secretary and paid salaries totalling approximately £64,000. They have a staff of 328 employees on civil service terms and conditions of employment. The principal function is to register bodies as charities for tax exemption purposes and to monitor the operations of such bodies to ensure that they do not disqualify themselves. Bodies not registered by the Commissioners may apply direct to the Inland Revenue which may accept them as charities for tax purposes independently of the Charity Commissioners’ rulings.

Scotland does not have Charity Commissioners, and all appropriate Scottish bodies simply apply to the Inland Revenue for charitable status. Their activities are then monitored by the Inland Revenue to ensure that they retain their status. It may reasonably be thought that if the Inland Revenue already has the machinery for performing these duties in respect of Scotland, an extension to include England and Wales might not cost the £2.5 million currently incurred by the Charities Commission. If on the other hand it is argued that the Commissioners perform many other necessary functions for English charities, it is pertinent to ask why Scottish charities do not need the same additional functions.

One lesson to be learned from the variety of Quangos we have reviewed is surely that no Quango is too big or too small, too well established, or too prestigious to be the subject of critical scrutiny. Another lesson is that there is still a lot of scope for further possible savings in public expenditure.
Into the light

We can easily forgive a child who is afraid of the dark: the real tragedy is when men are afraid of the light.

— Plato

The introduction to the first report of the Australian Senate Standing Committee on Finance and Government Operations on the subject of statutory authorities in the Commonwealth of Australia, published in December 1978, began with the words —

‘For some years parliamentarians have viewed the proliferation of statutory authorities with growing interest and concern. Questions arose as to the number, identity, role and significance of these instruments of government.

‘On 6th October 1977, the Senate referred the matter to the Standing Committee on Finance and Government Operations for investigation and report. The terms of reference were as follows:

‘“The continuing oversight of the financial and administrative affairs or undertakings of Commonwealth statutory authorities, and other bodies which the Commonwealth owns or controls wholly or substantially, and of the appropriateness and significance of their practice in accounting to the Parliament”.

The report goes on to say: ‘As Commonwealth statutory authorities have proliferated, they have acquired an extraordinarily diverse set of characteristics. Little or no attempt has been made to achieve uniformity in the justification for their initial creation, in the degree of operation independence granted to them and in the strictness of their accountability requirements.

‘This situation has created many problems, both for the executive government in effectively managing Australia’s economy and administration, and for the Parliament in ensuring that the authorities’ ultimate accountability to the people is maintained.’


Sunset Laws

This preamble to an attempt to find a solution to the problems created by a proliferation of diverse Quangos in Australia could equally appropriately be applied to a similar project in the United Kingdom. Concern about such proliferation is not, however, confined to our two countries. In the United States of America the concern has led to the growth of ‘sunset’ legislation. As its name implies it imposes a time limit at the end of which the Quango is automatically terminated unless specific action is taken by the legislature to extend its life for a further fixed term.

The first ‘sunset’ legislation was enacted in Colorado in 1976 as a result of pressure largely organised by a lobby group called Common Cause. The Colorado Act of 1976 automatically disbanded thirteen regulatory and licensing agencies in 1977 unless their continued existence could be justified. These were considered to be the most difficult type of body to abolish, but as a result of the legislation two disappeared as their functions were transferred to their departments, two were amalgamated, one was abolished altogether, one had its functions broadened and another had its membership increased.

From this modest beginning, however, sunset legislation caught on in the United States and within two years no fewer than twenty six states had enacted sunset legislation and the rest were considering the matter. The approach has varied from state to state but in some cases substantial inroads have been made by this means. For example, Arkansas provided for the termination between 1979 and 1983 of all its 285 state agencies; Tennessee provided for the termination of 200 state agencies by 1985; Texas law covered 178 agencies by 1989; and the legislature of West Virginia slightly over-enthusiastically passed a sunset bill providing for the termination of all state government by 1983. This last was, not surprisingly, vetoed by the state governor as being too broad.

Sunset legislation has much to commend it; not least is the fact that it has been widely introduced in the United States and appears to have been effective both in reducing the number of official bodies quite substantially whilst deterring the executives of the states from lightly establishing new ones. It has also had the advantage in some states of moving the immovables, namely the well established licensing and regulatory agencies that are normally regarded as indispensable. In other words, it works.
Are controls possible in Britain?

Here in Britain it would not be necessary to deal with each statutory body separately. A single short measure with a schedule listing all the official bodies of whatever kind to which ministers make appointments, grouped in sections according to the projected year of termination would achieve the same objective. If the minister subsequently wished to retain a particular one beyond the due date, he would have to prove the need to Parliament during the final year of its existence.

In its first three reports published between December 1978 and January 1980, the Australian Senate Committee reached the conclusion that a primary method of ensuring adequate accountability to Parliament would be to standardise reporting procedures of all the statutory bodies and to present to Parliament a comprehensive annual report. To this end it proposed an Annual Report Act. However, since official bodies perform such a wide variety of functions, the Committee recognised the need for different accountability to apply to different categories of body. It envisaged taking care of this by means of schedules to the Annual Report Act so that different accountability standards would be established according to the body’s place in the schedules. In view of the much greater variety and numbers in Quangos in the United Kingdom, to attempt to adapt the Australian proposal would require very much more complex legislation.

Nevertheless, the Australian Standing Committee is operating what in this country would be a select committee monitoring service. In that way it is focusing attention on public bodies and requiring them to become more responsive to the need to publish regular reports. To a limited degree the British Public Accounts Committee and the new departmental select committees set up at the end of 1979 are calling to public account some of the larger government agencies. There have already been useful select committee reports on such bodies as the Housing Corporation, the Manpower Services Commission and the Commission for Racial Equality. But the principal function of select committees is to examine the work of departments and they have time to look at only one or two official bodies each year.

It is helpful for some of the major government agencies to be subject to scrutiny by a select committee from time to time. Certainly it is an improvement in the position prior to 1979 when only those seventy Quangos subject to audit by the Comptroller & Auditor General could be examined by a select committee. Nevertheless it is still at best a random check on a handful of Quangos annually.

If one is serious in the desire to reduce the large number of bureaucratic bodies established in recent years, the sunset legislation of the kind already referred to could provide an effective means to this end. A refinement to the proposal already suggested would be to use a multiple Quango Act for all advisory bodies. Then each piece of primary legislation dealing with areas in which the executive bodies function could be used as an opportunity to amend the body’s original establishing act so as to provide for automatic dissolution after a period of five years, unless extended for a further five year period by affirmative resolution of each House of Parliament.

So far as the nationalised industries and the commercial agencies are concerned, their establishing acts could be amended by sunset provisions in the next bills applicable to each board or agency with an additional amendment to remove the power of the corporation to promote private bills designed to enlarge their undertakings in any way.

Of course the Whitehall establishment will always argue that there is too much pressure on parliamentary time to allow the passage of all the sunset legislation necessary to put a time limit on all Quangos. But with reasonable planning to group together all that can be combined for treatment, only a comparatively small percentage of the parliamentary time available to the government would be necessary. The other argument against action is that if each official body required an affirmative resolution to extend its life, many would disappear due simply to lack of parliamentary time in five years. Good or bad, this is untrue. A long experience of parliamentary life teaches that there is always time for what has to be done. It is the non-essential legislation that is left to the end of the session that may be squeezed out through lack of time.

So in legislative terms it is possible to place a statutory limit on the life of each Quango. Apart from a short but comprehensive sunset act from each department to deal with the plethora of advisory Quangos, the rest could be dealt with by means of clauses added to new bills covering aspects of the area of operation of the boards, agencies, and commissions. To do so would ensure that
within the life of two Parliaments the situation could be brought under control. In the case of nationalised industries, such legislation would encourage ministers to dispose of the assets as soon as commercially sensible in the knowledge that the longer they delayed, the more often they would have to apply to Parliament for an extension of public ownership. In time this could become an embarrassment to Conservative ministers. Indeed it would give Parliament the ultimate say concerning in what order and when the nationalised industries should return to private ownership.

In the meantime there is a strong case for bringing the activities of nationalised industries under more regular parliamentary scrutiny and for restricting the power of patronage of ministers in the matter of selecting senior board members. Several solutions are possible. First, the government could be required to find time for an annual debate on the activities of each nationalised undertaking in either the House of Commons or the House of Lords on the basis of the undertaking's annual report. (This would necessitate a statutory requirement for all nationalised industrial undertakings to lay their annual reports before Parliament and for these to be debated by Parliament within, say, three calendar months).

Second, for all appointments to nationalised industries, a short list of professional qualifications and experience could be prepared by the departmental civil servants and submitted to the minister for his final selection. The minister would then be required to submit his nomination to the Industry & Trade Select Committee whose approval could only be withheld for reason of lack of experience or qualifications. In other words, the select committee would be required to judge on technical rather than political grounds.

Modified versions of this procedure could also be applied to all the larger and more bureaucratic senior appointments to executive agencies like the Manpower Services Commission and the National Enterprise Board so long as they remain in being. It is at present easy to create and maintain Quangos. It is also easy to expand ministerial patronage and to abuse it for political or personal advantage. The antidote would seem to be to introduce checks and balances that increase the difficulty of creating and maintaining such bodies and that make it both difficult and hazardous for patronage to be abused.

The proposal

As a first step towards the imposition of such checks and balances it might be proposed that there could be a simple statutory obligation on each senior departmental minister to publish annually a Register of Official Bodies to which he makes appointments. Such a register would disclose the names of the appointees, the term of their appointments and details of the nature of their remuneration. It may be argued that the Directory of Paid Public Appointments published in 1978 gave the amount of fees and salaries paid to members of the 350 largest Quangos, but the disadvantage of that source is that it did not give the names of the recipients and it is quickly out of date. It may also be argued that the names of the Quangurus may be obtained by Members of Parliament by means of parliamentary questions, or by enquiring of each body in turn. But this, from experience, is a lengthy, tedious and costly method of obtaining information that could be made readily available.

The proposed register would also be required to reveal what had been the principal activities of each body during the previous year, what advice have been given, and what action the minister has taken as a result. This would open up to public and parliamentary scrutiny matters about which ministers in the past have been somewhat evasive. However, once a minister had direct responsibility for a report giving a résumé of the activities of his Quango, he would then become subject to the possibility of detailed cross-examination on those activities by Members of Parliament and any interested investigative journalists. The cloak of secrecy surrounding the activity, or in some cases inactivity, of Quangos would be lifted and the danger of expanding bureaucratic control would be diminished.

A typical reaction that might be expected to this suggestion is that the preparation of such a register would take too much time and money to justify it and it would involve an expansion of departmental staff. On the basis that Sir Leo Pliatzky with minimal help produced the 186-page Report on Non-Departmental Public Bodies covering every department of government (though not all the details that would be required in the register) in just over three months starting from scratch would indicate that the objections are unfounded. Nevertheless, if in some departments the number of Quangos should make it a more costly exercise than
in others, then the remedy may be to reduce the number of Quangos.

The register would, therefore, have a fourfold purpose. It would open to public scrutiny on an annual basis the numbers, membership, nature and activities of Quangos. It would show year by year the impact of each Quango on government by disclosing the action taken by government as a result of the advice or activity of the Quango. It would make each minister answerable to Parliament on matters relating to the membership and activities of Quangos. Finally, it would maintain continuing pressure on ministers to monitor the total number of Quangos for which they are responsible.

The same simple piece of legislation could, without much difficulty, incorporate a safeguard against the enthusiasm of some politicians for bestowing an abundance of patronage on their friends, paymasters, or acolytes. I therefore propose limitations of one, two or three offices for a single Quanguru, depending on the nature of each office. Basically the limitation is for one full time appointment and not more than two part time appointments for any one individual.

It may be that Parliament would conclude that such a limitation was not sufficiently restrictive. Nevertheless, it would be a move in the right direction against the background of the late 1970's when it was not rare for a Quanguru to hold as many as ten or eleven part time appointments in addition to a full time academic or trade union occupation, or for a full time Quango appointment to be combined with six or seven part time ones.

Of course, the first establishment reaction on receipt of the problem may well be to suggest time for consideration. It might even be suggested that a new committee should be appointed to consider the whole question and to make recommendations about the need or otherwise for legislation. It may, on the other hand, be accepted that there is a need to exercise more control over quasi-autonomous official bodies, but be recommended that the best way to do this would be to appoint a Commissioner for Administration to hold a watching brief over their activities. Or it might be proposed that a Quango Ombudsman be appointed to investigate complaints about such bodies.

It must be firmly stated that to deal with the problem effectively does not need any new machinery or gimmick. The public is getting wise to establishmentarianism. The problem is not resolved by establishing yet another Quango to oversee the Quangos. A better method is democratic control over official bodies, many of which spend millions of pounds of our money yet exist in a protected environment between the ministers who appoint them and a Whitehall that protects them. Indeed, in the House of Lords debate on the 15th November 1978, it was suggested that very often the function of a Quango was precisely to distance a minister from decisions.

If that is so, then it must be an effect of Quangos to divorce Parliament from the control of large areas of government. But that government is paid for by everyone, be he pensioner, disabled, unemployed or business tycoon, who pays the level of income tax, or V.A.T. or excise duty that qualifies the amount of his net income; because he is contributing to the cost of the 2,500 Quangos, more than 30,000 Quangurus and the many thousands of civil servants who continue to flourish.

The whole nation pays to support an army of bureaucratic bodies many of which can affect the lives of private citizens without being directly answerable for what they do. The effect of my proposal would be to bring such bodies more under the scrutiny of the people's representatives.
Conclusion

If a madman were to come into this room with a stick in his hand, no doubt we should pity the state of his mind; but our primary consideration would be to take care of ourselves. We should knock him down first, and pity him afterwards.

— Dr Samuel Johnson

In the first two years following the general election of 1979, fifty five new Quangos were announced by Conservative government ministers. Half of them were announced in the first eighteen months and the second half in the final six months. In addition, excluding the proposals for the administrative reorganisation of the National Health Service, the abolition of four hundred and twenty six bodies was announced in the first eighteen months, but that of only thirty one in the final six months. It is not unreasonable to conclude from this that the enthusiasm of the permanent officials and possibly some ministers for culling the Quango is on the wane, and that if the trend were to continue new creations will soon outstrip old abolitions.

It was the view of Sir Leo Pliatzky that the reorganisation of the National Health Service should be omitted from general consideration in the Quango review. When reorganisation was first mooted it was described as a means of getting rid of the middle tier of administration which would result in the abolition of ninety Area Health Authorities. This presumed that Community Health Councils were lower-tier Quangos which would be strengthened to fulfil the functions of Area Health Authorities. Technically, since Community Health Councils were not ministerially appointed Quangos and District Health Authorities are, the net result of reorganisation will be the replacement of ninety old Quangos with at least 180 new ones. It is a moot point, however, whether the upgrading of the Councils constitutes the creation of new bodies or not. There is a strong argument, therefore, for excluding the effect of the reorganisation of the National Health Service from a review of Quangos, except to point out that ‘reorganisation’ of anything always seems to tend to a proliferation of official bodies.

It is strange that no-one seems to be capable of reorganising to achieve the opposite effect.

The score card

However, even excluding the creation of the new District Health Authorities, the Department of Health & Social Security so far leads the field in the creation of new Quangos since June 1979 with ten out of the total of fifty five. These include such bodies essential to the government of the nation as the Health Services Information Steering Group, the Social Security Advisory Committee, the London Advisory Group, and the Advisory Group on Hepatitis. Thus the Department of Health & Social Security has proceeded to replace nearly a third of the total number of Quangos it has abolished. For a department of a government committed in principal to a substantial contraction of the state this must be rated, by their own admission, a deplorable record.

Joint second place in the renewal stakes is held by the Northern Ireland Office and the Scottish Office with six new Quangos each in the first two years. Four of the Northern Ireland Office additions are an amalgamation of twelve smaller bodies scheduled for abolition. Thus one new body will be responsible for the functions of the Northern Ireland Consumer Council, the Northern Ireland Electricity Consumers’ Council and the Northern Ireland Transport Users’ Committee. Another will cover the responsibilities of the Northern Ireland Training Council, Youth Careers Guidance Committee and the Youth Opportunities Programme Monitoring Committee. The third amalgamates the Nature Reserves Committee and the Wild Birds Advisory Committee whilst the fourth replaces four Northern Ireland Training School Boards.

The danger with this kind of amalgamation is that whilst it reduces the number of Quangos it may expand the corporate state. This would occur if two or three small advisory committees were replaced by a large body with at least as many appointed members in total and a larger administration. Every case calls for scrutiny.

The Scottish Office falls into this category with only one of its new Quangos. This will amalgamate the functions of the Scottish Horticultural Research Institute and the Scottish Society for Research in Plant Breeding. As these two appear to duplicate each
other's purpose it would have seemed more sensible simply to abolish one of them. What remained, if it were necessary for the development of a profitable horticultural industry in Scotland, might then have been funded privately by Scottish horticulturists.

The Departments of the Environment, Education and Employment, the Home Office and the Ministry of Agriculture were responsible for the creation of seventeen new Quangos between them, whilst the Welsh Office, the Departments of Trade and Defence, the Treasury and the Lord Chancellor's Office have each been responsible for two new bodies. The Department of Industry, although flirting with the idea of a co-ordinating Quango for the engineering profession for some months, had reached no decision at the time of the last count and therefore shared with the Department of Energy, the Ministry of Transport and the Civil Service Department the achievement of a nil return in respect of Quangos.

The three departments with industrial responsibilities have embarked on a campaign to reduce the size of the public sector in those industries. By the end of the second year of the Conservative government elected in 1979, all three had taken steps markedly to reduce public investment in the engineering, oil extraction and transport undertakings. On the basis that all three had reduced the small number of Quangos they inherited, created no new ones and attracted private investment into formerly public sectors of industry, it would appear to be a three horse race, with a slight edge going to the Ministry of Transport for taking maximum advantage of limited opportunities.

One of the nonsenses about the proliferation of advisory bodies is that when help is needed, ministers frequently turn to other advisers. A recent suspected outbreak of tuberculosis among badgers in the South West prompted the Minister of Agriculture to appoint Professor Lord Zuckerman to advise him on the matter in spite of the existence of the minister's own Consultative Panel on Badgers and Tuberculosis which he retained.

In recent wrangles with other E.E.C. countries about fishing policy in the seas around our coasts, the minister obtained his mainstream of advice from representatives of the Trawler Owners' Association rather than the advisory bodies appointed by him and the Secretary of State for Scotland. The Minister of Agriculture is not, of course, unique in the cavalier treatment he sometimes metes out to his advisory bodies. It is given as an example of the practice simply because he leads the field alphabetically.

The current lists of Quangos and those about to die are only as accurate as the official information available in May 1981. The latest official publication on the subject was the Civil Service Department's updating of the information contained in Pages 134-181 of the Report on Non-Departmental Public Bodies published in January 1980. The updated version was first published in the Spring of 1981 but its information was rendered obscure by the qualification that: 'Asterisks mark those bodies where a decision has been taken by 1 December 1980 to abolish the body during the period to the end of 1985 or to merge it with another body, or to reduce the size of a network or group of bodies.' In other words the asterisk indicates only that something will be done whilst failing to define what.

Through all the trials and tribulations of attempting to extract simple unequivocal information from government departments, there is constantly the temptation to emulate Pontius Pilate and ask the question 'What is truth?' All that can be said of the foregoing text and the following lists of Quangos is that they approach as near to the truth of the matter as the material sources allow.

In that context lies the ambiguity of the title The Governance of Quangos. Do they control, or are they under control? Unhappily in 1981 the balance of truth indicates the former. We shall see if future years are different.
Appendix 1


DEPARTMENTAL KEY

CSD  Civil Service Department.
DE.  Department of Employment.
DES  Department of Education & Science.
DI  Department of Industry.
DHSS  Department of Health & Social Security.
DoE  Department of the Environment.
FCO  Foreign & Commonwealth Office.
HO  Home Office.
MAFF  Ministry of Agriculture, Fisheries & Food.
MoD  Ministry of Defence.
NIO  Northern Ireland Office.
ODA  Overseas Development Agency.
ScO  Scottish Office.
WO  Welsh Office.

The Adjudicator (DHSS)

Advisory Committee for Agricultural Training (NIO)
Advisory Committee for Meteorology in Scotland (MoD)
Advisory Committee for the Paper & Board Industry Scheme (DI)
Advisory Committee on Asbestos (DE)
Advisory Committee on Bird Sanctuaries in the Royal Parks (DoE)
Advisory Committee on Child Psychotherapists (Grading and Appointments) (DHSS)
Advisory Committee on Community Medicine Establishments (ScO)
Advisory Committee on Development Education (ODA)
Advisory Committee on Fixed Offshore Installations (Energy)
Advisory Committee on Health Education (NIO)
Advisory Committee on Housing Co-operatives (DoE)
Advisory Committee on Motorcycle Rider Training (Transport)
Advisory Committee on NHS Laundries (DHSS)
Advisory Committee on the Protection of Birds (DoE)
Advisory Committee on the Protection of Birds (ScO)
Advisory Committee on Radio Interference

Advisory Committee on Rhodesian Travel Restrictions (FCO)
Advisory Committee on Sculpture in Royal Parks (DoE)
Advisory Committee on Services for Hearing-Impaired People (DHSS)
Advisory Committee on Top Grade Clinical Psychologist Posts (DHSS)
Advisory Committee on Top Grade Scientist Posts (DHSS)
Advisory Committee on Trees in the Royal Parks (DoE)
Advisory Committee on Vocational Preparation (ScO)
Advisory Council for Adult and Continuing Education (DES)
Advisory Council for Agriculture and Horticulture in England and Wales (DoE)
Advisory Council on Child Care (DHSS)
Advisory Council on Social Work (ScO)
Advisory Council on the Penal System (HO)
Advisory Group on Resource Allocation (DHSS)
Advisory Panel on Disarmament (FCO)
Advisory Panel on Institutional Finance in New Towns (DoE)
Aeronautical Research Council (MoD)
Air Cadet Council (MoD)
Ancient Monuments Board for Rescue Archaeology (DoE)
Animals Board of the Joint Consultative Organisation for Research & Development in Agriculture and Food (ScO)
Area Archaeological Advisory Committees (13) (DoE)
Army Education Advisory Board (MoD)
Assessment of Performance Unit Consultative Committee (DES)
Board of Referees (Treasury)
CAREERS Service Advisory Council for Wales (WO)
Cattle Improvement Committee (DoE)
Celtic Sea Advisory Committee (WO)
Central Advisory Council on the Employment of the Disabled (NIO)
Central Health Services Council (DHSS)
Central Midwives Boards (2) (DHSS)
Central Pathology Committee (DHSS)
Centre for Information and Advice on Educational Disadvantages (DES)
Clean Air Council (DoE)
Clean Air Council for Scotland (ScO)
Cockcroft Committee of Inquiry into the Teaching of Mathematics in Schools (DES)
Commission for New Towns (DoE)
Committee for University Assistance to Adult Education in H.M. Forces (MoD)
Committee of Enquiry into the Education of Children from Ethnic Minority Groups (DES)
Committee of Enquiry into the Engineering Profession (DI)
Committee of Enquiry into Local Government in Scotland (ScO)
Committee on Obscenity and Film Censorship (HO)
Committee on National Museums and Galleries (ScO)
Committee to Examine the Standards of Lawn Tennis in Great Britain (DoE)
Committee to Review the Functioning of Financial Institutions (Wilson Committee) (Treasury)
Community Education Forum (NIO)
Community Worker Research Project (NIO)
Computer Agency Council (CSD)
Conference on Local Government Electoral Law (HO)
Construction and Housing Research Advisory Council (DoE)
Construction Industry Manpower Board (DoE)
Consultative Committee on EEC Food Matters (DHSS)
Consultative Committees on Indian Family Pension Funds (3) (ODA)
Consumers' Consultative Group on Artificial Limbs (DHSS)
Council for the Education and Training of Health Visitors (DHSS)
Cumbernauld New Town Licensing Planning Committee (ScO)
Detergents and Allied Products: Voluntary Notification Scheme Scrutiny Group (DoE)
Disability Advisory Committees (132) (DHSS)
East Kilbride New Town Licensing Planning Committee (ScO)
Educational Panel of Independent Schools Tribunal (ScO)
Electoral Advisory Conference (HO)
Electricity Amenity Committee (ScO)
Electricity Fisheries Committee (ScO)
Electronics Components Industry Support Scheme and Instrumentation and Automation Scheme Advisory Board (DI)
Electronics Research Council (MoD)
Employment Service Management Committee (NIO)
Energy Commission (Energy)

Environmental Board (DoE)
Extra-Statutory Compensation Tribunal (NIO)
Farm Settlements Advisory Committee for the Selection of Tenants (MAFF)
Fire Service College Board (HO)
Flying Personnel Research Committee (MoD)
Food Hygiene Advisory Council (DHSS)
Freight Integration Council (Transport)
Frequency Advisory Committee (HO)
Furniture Development Council (DI)
General Agricultural Advisory Committee (NIO)
General Nursing Councils (2) (DHSS)
Glenrothes New Town Licensing Planning Committee (ScO)
Good Neighbour Campaign Group (DHSS)
Governing Bodies of Colleges of Education (2) (ScO)
Hadrian's Wall Advisory Committee (DoE)
Harlow Development Corporation (DoE)
Health Services Board (DHSS)
Herring Industry Board (ScO)
Hotel Grants Advisory Committee (NIO)
Housing Associations Registration Advisory Committee (DoE)
Housing Services Advisory Group (DoE)
Independent Board of Visitors for the Military Corrective Training Centre (MoD)
Independent Board of Visitors for the Royal Naval Detention Quarters (MoD)
Industrial Relations Training Resources Centre (DE)
Industrial Technologies Education and Training Committee (DI)
Inland Waterways Amenity Advisory Committee (DoE)
Inquiry into Lorries, People and the Environment (Transport)
Insolvency Law Review Committee (Trade)
Inter-University Council (ODA)
Invalid Three-Wheeler and Wheelchair Repair and Maintenance Liaison Group (DHSS)
Irish Pensions Appeal Tribunal (FCO)
Iron & Steel Arbitration Tribunal (DI)
Iron & Steel Employees Readaptation Benefits Scheme Advisory Committee (DI)
Irvine New Town Licensing Planning Committee (ScO)
Joint Board for Clinical Nursing Studies (DHSS)
Joint Consultative Organisation for Research and Development in Agriculture and Food (5 Boards) (MAFF)
Laboratory Development Advisory Group (DHSS)
Lagan Valley Regional Park Committee (NIO)
Licensing Planning Committees (6) (HO)
Livingstone New Town Licensing Planning Committee (ScO)
Location of Offices Bureau (DoE)
London Co-ordinating Committee (DHSS)
London Rail Advisory Committee (Transport)
Lubricant Engine Testing Advisory Panel (MoD)
Manpower Services Commission District Manpower Committees (37) (DE)
Manufacturing Machinery Advisory Committee (DI)
Meteorological Research Committee (MoD)
Metrecation Board (Trade)
Microwave Receiving Devices Research Advisory Panel (MoD)
Motor Railies Advisory Committee (Transport)
National Consultative Committee for the United Nations European Social Development Programme (DHSS)
National Consultative Council for the Building and Civil Engineering Industries (DoE)
National Development Group for the Mentally Handicapped (DHSS)
National Economic Development Council Sector Working Parties (3) (Treasury)
National Film Development Fund (Trade)
National Film Development Fund Advisory Committee (Trade)
National Ports Council (Transport)
National Radiological Protection Board Advisory Committee (DHSS)
Nature Reserves Committee NIO
Naval Education Advisory Committee (MoD)
Navy Department Fuels and Lubricants Advisory Committee (MoD)
New Town Development Corporations (11) DoE
New Town Licensed Premises Committees (11) (HO)
New Towns Staff Commission (DoE)
Noise Advisory Council (DoE)
Non-Ferrous Foundry Scheme Advisory Committee (DI)
Non-Proliferation Advisory Panel (FCO)
Northern Ireland Agricultural Trust (NIO)
Northern Ireland Committee for Educational Technology (NIO)
Northern Ireland Consumer Council (NIO)
Northern Ireland Council for Nurses and Midwives (NIO)
Northern Ireland Electricity Consumers Council (NIO)
Northern Ireland Training Council (NIO)
Northern Ireland Trade Statistics Consultative Committee (NIO)
Northern Ireland Transport Users' Committee (NIO)
Offshore Safety Committee (Energy)
Panel of Assessors for District Nurse Training (DHSS)
Paul Brown Enquiry (DHSS)
Personal Social Services Council (DHSS)
Peterhead Bay (Management) Committee (ScO)
Planning and Transportation Research Advisory Council (DoE)
Plant Variety Rights Advisory Panels (12) (MAFF)
Pisons Board (HO)
Police National Computer Policy Committee (HO)
Policy Advisory Committee on Sexual Offences (HO)
Poultry Diseases Panel (MAFF)
Price Commission (Trade)
Private International Law Committee (Lord Chancellor)
Property Advisory Panel (Treasury)
Prosthetics Advisory & Consultative Council (DHSS)
Queen's Police Gold Medal Essay Competition Committee (HO)
Railways and Coastal Shipping Committee (Transport)
Rampton Hospital Management Review Team (DHSS)
Recreation Management Training Committee (DoE)
Regional Economic Planning Councils (8) (DoE)
Regional Panels on Agriculture in Wales (2) (MAFF)
Regional Probation Staff Development Consultative Committee (HO)
Road Safety Education Development Unit (Transport)
Roads Advisory Committee (NIO)
Royal Commission on Criminal Procedure (HO)
Royal Commission on Legal Services in Scotland (ScO)
Royal Commission on the Distribution of Income and Wealth (DE)
Runcorn Development Corporation (DoE)
St. Vincent Drilling Co. Ltd., (ScO)
Scientific Authority for Animals (DoE)
Scottish Air Cadet Council (ScO)
Scottish Committee for Schools/Industry Liaison (ScO)
Scottish Committee of the Health Services Board (ScO)
Scottish Food Hygiene Council (ScO)
Scottish Home Ownership Forum (ScO)
Scottish Horticultural Research Institute (ScO)
Scottish Housing Advisory Committee (incl. Sub-committee on Allocation and Transfer) (ScO)
Scottish River Purification Advisory Committee (ScO)
Scottish Society for Research in Plant Breeding (ScO)
Scottish Water Advisory Committee (ScO)
Severn Barrage Committee (DE)
Ship Hull Corrosion Committee (MoD)
Ship Machinery Corrosion Committee (MoD)
Special Purchases of Evacuated Dwellings Committee (NIO)
Staff Appeals (NHS Reorganisation) Tribunals (DHSS)
Standing Advisory Committee on Cinematograph (Safety) Regulations (HO)
Standing Commission on Pay Comparability (DE)
Standing Committee on NHS Planning (DHSS)
Standing Technical Committee on Synthetic Detergents (DoE)
Supplementary Benefits Commission (DHSS)
Supplementary Benefits Commission for Northern Ireland (NIO)
Tate & Lyle Customer Safeguards Committee (MAFF)
Technical Education and Training Organisation for Overseas Countries (ODA)
Toplis and Harding (Middle East) Ltd. (FCO)
Torry Research Station Advisory Committee (MAFF)
Training Council for Orthotists (DHSS)
Tropical and Education Advisory Committee for the RAF (MoD)
Trypanosomiasis Panel (ODA)
UN Advisory Group (abolition of 3 sub-groups) (FCO)
Wages Councils (9) (DE)
Waste Management Advisory Council (Ind)
Welsh Council (WO)
Welsh Language Translation Advisory Panel (WO)
White Fish Authority (MAFF)
Wild Birds Advisory Committee (NIO)
Working Party on Management Training for Leisure and Recreation (ScO)

Working Party on the Training of Operating Department Assistants (DHSS)
Youth Careers Guidance Committee (NIO)
Youth Opportunities Programme Monitoring Committee (NIO)
Youth Service Forum (DES)
Appendix 2


Accounts Commission (DoE)
Advisory Committee on Animal Experiments (HO)
Advisory Committee on Business Sponsorship of the Arts (DES)
Advisory Committee on Micro-electronics in Education (DES)
Advisory Group on Hepatitis (DHSS)
Advisory Panel on Disarmament and Non-Proliferation (FCO)
Committee of Inquiry into Local Government in Scotland (ScO)
Committee to Review the Powers of the Inland Revenue and Customs & Excise (Inland Revenue)
Community Service Committee (NIO)
Council for Tertiary Education in Scotland (ScO)
Farm Animal Welfare Council (MAFF)
Health & Safety Executive Advisory Committees (2) (DE)
Health Service Supply Council (DHSS)
Health Service Information Steering Group (DHSS)
Housing Management Advisory Panel (WO)
Hydebank Wood Visiting Committee (NIO)
Independent Board of Visitors for Royal Naval Detention Quarters and the Military Corrective Training Centre (MoD)
Inquiry into the Value of Pensions (Treasury)
Inter-Departmental Working Party to Review Traffic Law (HO)
Joint Committee for Refugees from Vietnam (HO)
Judicial Studies Board (Lord Chancellors’ Office)
London Advisory Group (DHSS)
London Housing Staff Commission (DoE)
National Boards for Nursing Midwifery & Health Visiting (4) (DHSS)
National Meteorological Co-ordinating Unit (Trade)
Northern Ireland Council for Educational Development (NIO)
Paul Brown Enquiry (DHSS)
Pilotage Commission (Trade)
Rampton Hospital Management Review Team (DHSS)
Retail Food and Allied Trades Wages Council (DE)
Retail Trades (Non-Food) Wages Council (DE)

Review Body to Examine the Work of the Chancery Division of the High Court (Lord Chancellor’s Office)
St. Vincent Drilling Ltd. (ScO)
Scottish Crop Research Institute (ScO)
Social Security Advisory Committee (DHSS)
Standing Advisory Committee on List D Schools (ScO)
UK Central Council for Nursing, Midwifery & Health Visiting (DHSS)
Scottish Seed Potato Development Council (ScO)
Welsh Health Council (WO)
Working Group on Rickets (DHSS)

Bodies as yet unnamed
Body replacing the Joint Consultative Organisation for Research and Development in Agriculture and Food (MAFF)
Body replacing the NI Electricity Consumers’ Council, the NI Consumer Council and the NI Transport Users’ Committee (NIO)
Body replacing the NI Training Council, the Youth Careers Guidance Committee and the Youth Opportunities Programme Monitoring Committee (NIO)
Body replacing the Nature Reserves Committee and the Wild Birds Advisory Committee (NIO)
Body replacing the four NI Training School Management Boards (NIO)
Body replacing the two Regional Panels on Agriculture in Wales (WO)
Body to control Polytechnics and Local Authority Colleges (DES)
Appendix 3

Parliamentary question answered by the Prime Minister on January 16 1980.

PUBLIC BODIES (REVIEW)

Mr. Philip Holland asked the Prime Minister what further progress has been made in her review of various public bodies.

The Prime Minister: At the end of August 1979 Sir Leo Pliatzky was retained in the public service for the time being to help me in carrying this review forward. I received his report on non-departmental public bodies last month and I am presenting it to Parliament today as a White Paper — Cmnd. 7797.

A substantial part of the report consists of a factual survey of executive, advisory and judicial bodies. I believe that this information will be of considerable value to Parliament and the public.

The report also brings together the ministerial decisions which have so far been taken about the future of individual bodies. The effect of these decisions, including measures taken or announced at earlier stages in the review will be to reduce the number of executive bodies by 30 and the number of advisory bodies by 211, with a consequent reduction of around 3,700 in the number of public appointments. Five judicial bodies are also to be wound up.

The administrative economies from these measures, when fully implemented, will be roughly £11 million in a full year. These will be additional to the financial savings of about £350 million in 1980-81 from reductions made in the previously planned programmes of the largest executive-type bodies as a result of the general public expenditure exercise.

The report also suggests some lessons for the future, based on a study of past experience. A general conclusion indicated is that a more cautious and selective approach should be adopted in the future towards the creation of non-departmental bodies, and in particular towards the "hiving off" of departmental functions to such bodies. The Government endorse this view. I can assure the House that we will look critically at all fresh proposals for new bodies and that we should be opposed to a policy of further hiving off of functions to non-Departmental public bodies.

Other Suggestions relate to control and accountability as
Appendix 4

Parliamentary question answered by the Prime Minister on 3 December 1980.

QUANGOS (REPORT)

Mr. Holland asked the Prime Minister if decisions have now been taken about the future of those bodies which were still under review when the "Report on Non-Departmental Public Bodies" — Cmd. 7797 — was published in January 1980; and if she will make a statement.

The Prime Minister: In January this year I announced decisions which will lead to the abolition of over 240 non-departmental public bodies with estimated savings of £11.6 million in a full year.

Since then, further decisions have been taken which will lead to the winding up of another 28 executive bodies and 164 advisory and judicial bodies. Valuable financial savings will arise from these decisions and from reductions in the expenditure of other bodies which have been reviewed. These savings will accrue over a period of time and in some cases cannot yet be calculated, but they will reach over £11 million a year by 1983-84.

I am sure hon. Members will welcome these measures, which bring to 436 the total number of public bodies to be wound up; the total savings will approach £23 million a year by 1983-84.

A number of reviews are still in progress, including those of the nationalised industries consumer councils and the industrial training board system.

We shall keep all existing bodies under regular scrutiny. Those which continue to undertake valuable work and remain appropriate will be retained, but we shall keep under close control the money which the Government spends on them. Whenever bodies are no longer needed they will be wound up.

There are always pressures for the creation of new bodies. We shall be robust in resisting them. But we shall approve proposals for new bodies if we can be convinced that the function is essential and that a non-departmental body is the most appropriate way to do the job as in the case of the urban development corporations and other bodies we have set up.

Details of the decisions are as follows:

**DEPARTMENT OF EDUCATION AND SCIENCE**

Centre for Information on Language

Teaching and Research Council for Educational Technology

**DEPARTMENT OF EMPLOYMENT GROUP**

Disablment Advisory Committees

Industrial Relations Training Resource Centre

**DEPARTMENT OF ENERGY**

Advisory Committee on Fixed Offshore Installations

Advisory Council on Energy Conservation

Severn Barrage Committee

**DEPARTMENT OF THE ENVIRONMENT**

New Town Development Corporations (11)

Commission for New Towns

New Towns Staff Commission

Advisory Panel on Institutional Finance in New Towns

*Target dates decided for abolition of first and second generation corporations.

*To be abolished; legislation required

*Abolition associated with winding up of Development Corporations.

*Abolished

**Housing Corporation**

Staff reductions and administrative streamlining; savings of about £1.0 million.

Abolished. Saving of about £26,000 per annum.

**Housing Services Advisory Group**

National Consultative Council for the Building and Civil Engineering Industries

Abolished in April; saving of £60-80,000 per annum.
Reduction in expenditure, phased over four years to reach £8.6 million per annum by 1983-84

**Decision**

To be abolished after current negotiations; saving of about £12,000 per annum.

**Decision**

To be abolished.

**Decision**

To be abolished after transitional period. New structure involves Central Council and two territorial boards.

**Decision**

To be abolished.

**Decision**

Fewer meetings, reduced membership.

Four to be abolished.

11 to be abolished by 1985 along with associated Development Corporations.

Staff reductions. Aim of increased income from advisory etc. services. Substantial savings.

**Decision**

Abolished.

**Decision**

Abolished.

**Decision**

To be abolished.

**Decision**

To be abolished; saving of about £400,000.

**Decision**

To be abolished after transitional period; replaced by new N.I. board.

**Decision**

To be amalgamated; legislation required.

**Decision**

To be amalgamated; legislation required.

**Decision**

To be amalgamated; legislation required.

**Decision**

Government intends that Boards' present functions will be discharged by one board.

**Decision**

To be abolished.

**Decision**

To be abolished after transitional period. Replaced by new Scottish Board.

**Decision**

Closure of two colleges; restructuring of another. Significant savings.

**Decision**

To be amalgamated.

**Decision**

Staff reductions and other savings. Savings of over £200,000 per annum by 1983-84.
Appendix 5

Parliamentary questions to the Prime Minister on Monday 18 May 1981.

Mr Michael Brown: To ask the Prime Minister, how many non-departmental public bodies have been abolished since December last year; and what has been the consequent saving to public funds.

The Prime Minister: I list below the bodies which have been abolished since my last announcement on this subject on 3 December 1980 (Hansard Vol 995, col. 222-228). The net effect is to eliminate a further 158 non-departmental public bodies, with a total annual saving which will approach £1½m in a full year.

In addition to the changes which I announced on 3 December and those recorded above, the following six bodies are to be wound up in due course:

<table>
<thead>
<tr>
<th>Department</th>
<th>Bodies to be Wound up</th>
<th>Approximate Annual Saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Industry</td>
<td>Waste Management Advisory Council*</td>
<td>£30,000</td>
</tr>
<tr>
<td>Northern Ireland Office and Northern Ireland Departments</td>
<td>Community Education Forum Visiting Committees — reduced from 6 to 5*</td>
<td>£5,000</td>
</tr>
<tr>
<td>Scottish Office</td>
<td>Scottish Horticultural Research Institute</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>Scottish Society for Crop Breeding</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>Committee of Inquiry into Local Government in Scotland*</td>
<td>£36,000</td>
</tr>
<tr>
<td></td>
<td>Inquiry on Lorries, People and the Environment*</td>
<td>£60,000</td>
</tr>
<tr>
<td>Ministry of Agriculture</td>
<td>Regional Panels — reduced from 7 to 5*</td>
<td>£7,000</td>
</tr>
<tr>
<td>Fisheries and Food</td>
<td>Experimental Centres Advisory Committees — reduced from 22 to 21*</td>
<td>£10,000</td>
</tr>
<tr>
<td>Department of Employment Group</td>
<td>Disablement Advisory Committees (220) — replaced by 87 Committees for the Employment of Disabled People</td>
<td>£60-100,000</td>
</tr>
<tr>
<td>Department of Environment</td>
<td>Harlow Development Corporation</td>
<td>£40,000</td>
</tr>
<tr>
<td></td>
<td>Runcorn Development Corporation</td>
<td>£10,000</td>
</tr>
<tr>
<td></td>
<td>Noise Advisory Council</td>
<td>£75,000</td>
</tr>
<tr>
<td></td>
<td>Scientific Authority for Animals</td>
<td>£10,000</td>
</tr>
</tbody>
</table>

*The Decision to abolish these bodies has been announced since 3 December.
<table>
<thead>
<tr>
<th>Department</th>
<th>Bodies to be Wound up</th>
<th>Approximate Annual Saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign and Commonwealth Office (Overseas Development Administration)</td>
<td><em>Inter-University Council</em>&lt;sup&gt;*&lt;/sup&gt; Technical Education and Training Organisation for Overseas Countries by 1982/83</td>
<td>£300,000</td>
</tr>
<tr>
<td>Department of Health and Social Security</td>
<td>Training Council for Orthotists</td>
<td>£17,000</td>
</tr>
</tbody>
</table>

(Answered by the Prime Minister on Thursday 21 May 1981)

**Mr Michael Brown**: To ask the Prime Minister, how many non-departmental public bodies have been established since May 1979; and at what cost to public funds.

**The Prime Minister**: The following new bodies have been established since May 1979:

<table>
<thead>
<tr>
<th>Department</th>
<th>Body</th>
<th>Approximate Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Education and Science</td>
<td>Trustees of the National Heritage Memorial Fund Advisory Committee on Business Sponsorship of the Arts (Office of Arts and Libraries) Advisory Committee on Micro-Electronics in Industry Review of Youth Service Provision in England Industry Advisory Committee (for the Health Services) Certification Board for Diver Training</td>
<td>£3,212,000&lt;sup&gt;1&lt;/sup&gt; £3,000 £121,000&lt;sup&gt;2&lt;/sup&gt; £5,000 £2,000</td>
</tr>
<tr>
<td>Department of Environment</td>
<td>London Housing Staff Property Services Agency Advisory Board Merseyside Urban Development Corporation</td>
<td>£6,000 £5,000 £16,285,000&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Department of Health and Social Security</td>
<td>Working Group on Rickets Steering Group on Health Service Information London Advisory Group Advisory Group on Hepatitis Informal Working Group on Effective Prescribing Working Group on Laser Safety</td>
<td>£7,000 £72,000 £90,000 £5,000 £9,000 £1,000</td>
</tr>
<tr>
<td>Home Office</td>
<td>Joint Committee for Refugees from Vietnam</td>
<td>£42,000&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Department of Industry</td>
<td>Information Technology Focus Committee Space Consultative Committee Committee to Review the Powers of the Revenue Departments Visiting Committee, Hydevank Wood Community Service Committee Council for Tertiary Education in Scotland Standing Advisory Committee on List D Schools Health Education Co-ordinating Committee</td>
<td>£25,000 — £32,000 £13,000 £2,000 £13,000 —</td>
</tr>
</tbody>
</table>

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<sup>1</sup> Approximate cost

<sup>2</sup> Approximate cost
<table>
<thead>
<tr>
<th>Department</th>
<th>Body</th>
<th>Approximate Annual Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Trade</td>
<td>Pilotage Commission</td>
<td>£8,000&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>National Meteorological Co-ordinating Unit</td>
<td>£195,000&lt;sup&gt;5&lt;/sup&gt;</td>
</tr>
<tr>
<td>Welsh Office</td>
<td>Housing Management Advisory Panel</td>
<td>£1,500&lt;sup&gt;7&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

In addition, the process of rationalising previous arrangements has led to the creation of the following bodies, which result from amalgamations, reconstitutions, or replacements.

<table>
<thead>
<tr>
<th>Department</th>
<th>Body</th>
<th>Annual Financial cost/saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Agriculture, Fisheries and Food</td>
<td>Farm Animal Welfare Council</td>
<td>£85,000 cost</td>
</tr>
<tr>
<td>Ministry of Defence</td>
<td>Independent Board of Visitors for Royal Naval Detention</td>
<td>No net additional cost</td>
</tr>
<tr>
<td></td>
<td>Quarters and the Military Corrective Training Centre</td>
<td></td>
</tr>
<tr>
<td>Department of Employment</td>
<td>Retail and Allied Trades Wages Council</td>
<td>£10,000 saving</td>
</tr>
<tr>
<td></td>
<td>Retail Trades Wages Council (Non-Food)</td>
<td>£60-100,000 saving</td>
</tr>
<tr>
<td></td>
<td>87 Committees for the Employment of Disabled People (replaced 220 Disabled Advisory Committees)</td>
<td></td>
</tr>
<tr>
<td>Foreign and Commonwealth Office</td>
<td>Advisory Panel of Disarmament and Non-Proliferation</td>
<td>No net additional cost</td>
</tr>
<tr>
<td></td>
<td>Crown Agents for Overseas Governments and Administrations</td>
<td>No net additional cost</td>
</tr>
</tbody>
</table>

**Notes**

1. Part of grant is made by Department of the Environment.
2. Total cost for expected life of Review (18 months).
3. The anticipated cost to public funds of Merseyside Urban Development Corporation for 1981/82 is £16,285,000, of which £1,107,000 represents administrative costs.
5. Estimated expenditure to July 1980.
6. Total cost to April 1981, when financing passed from central government to local authorities.
7. Approximate cost to date.
8. Under the Crown Agents Act 1979 the Crown Agents for Overseas Governments and Administrations assumed on 1 January 1980 a commencing capital debt to the Minister of Overseas Development (now Secretary of State for Foreign and Commonwealth Affairs) of £30 million in respect of the property and rights transferred to them from the unincorporated Crown Agents. Interest is payable on this.
debt, during an initial period of five years (which may by order be extended to seven years) the rate of interest is such as the Secretary of State may from time to time determine.

9. These bodies were set up under the Nurses, Midwives and Health Visitors Act 1979. After a transitional period they will replace nine nursing bodies (the General Nursing Councils for England and Wales, and for Scotland; the Northern Ireland Council for Nurses and Midwives; the Central Midwives Boards for England and Wales, and for Scotland, and the Scottish Advisory Committee to that Council, the Panel of Assessors for District Nurse Training; the Joint Board for Clinical Nursing Studies).

10. The lists above do not include bodies (such as the Docklands Urban Development Corporation and the Broadcasting Complaints Commission) which the Government have decided to set up but which have not yet been formally established.

Appendix 6

Bill proposed by Philip Holland on the subject of the regulation of official bodies

PUBLIC BODIES (REGISTER)

A BILL TO

Provide for an annual Register of Offices to which appointments are made by Ministers; to limit the number of Offices that may be held by a person at one time; and for connected purposes.

Be it enacted by the Queen’s Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons in this present Parliament assembled, and by the authority of the same, as follows:

1. (1) There shall be kept by the appropriate Secretary of State a Register of Public Bodies which shall be published annually as soon as practical after the end of each calendar year.

(2) The Register shall record for each public body—

i. the name of the body and the authority by which it was established;

ii. the names of its chairman and members;

iii. the date and period of their appointment;

iv. whether each such appointment is full-time, part-time, fee paid or unpaid, as defined by this Act;

v. the remuneration paid over the past calendar year for each such full-time, part-time, or fee paid appointment;

vi. the principal activities of the body during the past calendar year;

vii. action taken by the Secretary of State on the advice of the body, or directly attributable to its activities;

viii. the main items of expenditure of the body over the past calendar year;
ix where an appointment is made on the nomination of, or after consultation with, any body, organisation or person specified in any Act recorded in accordance with the provisions of sub-paragraph (i) of this subsection, the name of that body, organisation or person, the name of the Secretary of State responsible for each appointment.

(3) As soon as practicable after the end of each calendar year the Secretary of State shall lay before each House of Parliament a copy of the Register.

2. (1) No person may hold at any one time more than one of the offices listed in Part II and Part III of Schedule I to the House of Commons Disqualifications Act 1975 as amended.

(2) Notwithstanding subsection (1) above a person may hold two, and subject to subsection (3) below three such offices where one or two of those offices respectively are part-time or fee-paid appointments within the meaning of this Act.

(3) A person may hold three such offices in accordance with subsection (2) above, provided that the Secretary of State is satisfied, having due regard to the nature of the duties and the level of remuneration of each office, that any person so appointed is able to give adequate time and service to each office.

Interpretation 3. In this Act—

"the appropriate Secretary of State" means for each public body the Secretary of State appropriate to the Act of Parliament or other authority establishing that body;

"fee-paid" means paid on a per diem basis but not exceeding fifteen hours per week;

"full-time" means not less than thirty-five hours per week;

"members" shall include trustees, commissioners or members of the governing board;

"part-time" means not more than thirty hours per week;

"public body" means any body corporate or other body, other than a body wholly comprising persons employed in

the civil service of the State—

(i) which receives in any one year or over any period of three years the whole or part of its income from public funds; or

(ii) Any of the members of whose board, other than persons employed in the civil service of the State, are appointed by a Minister of the Crown; and

"unpaid" means that the person appointed receives no remuneration for his services.

Short Title: This Act may be cited as the Public Bodies (Register) Act 1982.
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  — The Star

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  — The Daily Mail

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  — The Guardian

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