

Reforming the Westminster Model of Agency Governance: Britain and Ireland After the Crisis

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Conventional understandings of what the Westminster model implies anticipate reliance on a top-down, hierarchical approach to budgetary accountability, reinforced by a post-New Public Management emphasis on recentralizing administrative capacity. This article, based on a comparative analysis of the experiences of Britain and Ireland, argues that the Westminster model of bureaucratic control and oversight itself has been evolving, hastened in large part due to the global financial crisis. Governments have gained stronger controls over the structures and practices of agencies, but agencies are also key players in securing better governance outcomes. The implication is that the crisis has not seen a return to the archetypal command-and-control model, nor a wholly new implementation of negotiated European-type practices, but rather a new accountability balance between elements of the Westminster system itself that have not previously been well understood.

Introduction

A commonly used category in comparing political and administrative regimes is that of “Westminster systems.” The countries grouped under this broad umbrella include Britain, home of the “mother of Parliaments” and its associated system of public administration, and countries that inherited their political and administrative systems from Britain, including the Republic of Ireland, as well as most Commonwealth countries, among them Australia, Canada, and New Zealand. What is understood by “Westminster” in this institutional perspective is easily enough characterized: It includes, among other features, a centralized political system, a nonpartisan public bureaucracy, and accountability that is exercised through ministerial authority, within the framework of collective cabinet responsibility (Rhodes, Wanna, and Weller 2009).

But the notion of “Westminster” turns out, on closer inspection, to feature variation in the way the public bureaucracy is organized in practice, and in the manner in which the structures of accountability, political control, and oversight actually work. As Hogwood (1995) identifies, monolithic and uniformly organized ministerial departments have been the exception rather than the norm in Westminster, but the varieties in how such departments operate within (and between) Westminster systems have certainly become more varied. This complexity is in large part due to expansion in the number of *agencies*, that is, organizations that are part of the public administration system but that function at arm’s length from departments and ministers (Rhodes 1996). These agencies are sometimes rather pejoratively termed “quangos,” or quasi-autonomous nongovernmental organizations.¹

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The relationship between agencies and their parent departments has evolved over time. In particular, the innovations of New Public Management from the 1980s presented new challenges to the way the Westminster model of public administration is conventionally conceptualized, with particular focus on the ensuing new accountability demands (Woodhouse 1994, 232–281). More recently, the advent of the global financial crisis in 2008 generated further uncertainty about how best to understand the significance of agencies and the nature of their governance. As a result of this crisis, governments in Westminster systems have also sought cost reductions in their public spending commitments in many ways, not least through the imposition of new controls over public agencies. This coincides with, but is not identical to, a sense that New Public Management itself resulted in an excessive fragmentation of public services, and that it was time for a reconsolidation of the public administration within Minister-led departments. Together, these trends foster increasing skepticism about the role and functioning of agencies themselves, reflected in a discourse that would favor shutting down agencies, or engaging in a “bonfire of the quangos,” seeing them as an unnecessary proliferation of state activity (Dommert and Flinders 2014; Flinders and Skelcher 2012; MacCarthaigh 2014a). Mistrust of agencies permits little recognition of “essential” delegation functions, particularly regulatory functions that need to be visibly distinct from political interference, and more discretionary specialization of policy delivery (Institute for Government 2010). And yet, agencies have proved surprisingly durable.

The significance of the recent trend toward “deagencification” therefore presents something of a conceptual puzzle. To what extent is reform in this area aimed at reconstituting a pre-New Public Management era with fewer agencies and a more centralized and hierarchical mode of administrative accountability—a “return to Westminster”? Or are we seeing the consolidation of a differentiated model of governance more akin to a “Europeanization” of public administration through the emergence of a form of negotiated interdependence of departments and agencies? In this article, we present a reassessment of the nature and significance of the reform of public governance in Westminster systems through an examination of the agency reform initiatives. We argue that agencies have historically been presented in political rhetoric as antithetical to the Westminster model and reformed primarily with a view to reducing (but not eliminating) their number. More recent reforms, we find, suggest an alternative approach emerging that has significance for how we understand Westminster governance.

Reviewing recent developments, we argue that since 2008, interest in rationalization of agencies’ roles has been accompanied by efforts to reassert central government oversight of and intervention into the way agencies function. In addition, we find a strengthening of the role of agencies themselves and renewed reliance on the active role of agencies in managing the rationalization reform process. In exploring these developments we argue that these dual trends require us to rethink rather than reject the Westminster model. This approach accords with a conception of Westminster as an evolving “web of meaning,” reflecting the second application of the term highlighted by Grube and Howard in their introduction to this special issue. In making this argument we focus on the principle of accountability, exploring changes in agency oversight and control to discuss the pertinence of this model, isolating one aspect of the Westminster model to enable detailed analytical reflection.

The article focuses on two countries, Britain and Ireland. The case selection is based on a most different case study comparison within Westminster systems: In Britain, New Public Management ideas involved extensive restructuring of agencies in the 1990s and 2000s, while agencification proceeded on a different logic in Ireland. In both Britain and Ireland, spending cutbacks in the wake of the economic crisis resulted in systematic attempts to restructure agencies and increase central control

over budgets. From their very different starting points, we see a convergence on similar outcomes—but the implications for our understanding of Westminster systems are important. On the one hand, we do see a strengthening of centrally controlled budget allocations to agencies. But on the other, we see a more sophisticated approach to the governance of agencies that does not attempt to subsume them into a direct hierarchical management structure but that pursues a partnership approach.

The implication of our analysis is that our conception of the “Westminster system” of public administration needs to be updated to reflect the new governance dynamics revealed through an analysis of agency reform. We have the benefit of access to databases of evidence about the structure and organization of agencies with which to track developments in both these countries in considerable detail. Our examination is further supported by interviews with numerous key public officials in both London and Dublin. For the Irish case, bespoke interviews were undertaken with CEOs of agencies who also formed part of the executive of the Association of Chief Executives of State Agencies (ACESA) as well as with senior civil servants charged with overseeing agencies under their department’s remit. This total of 8 interviews were supplemented with evidence from a further 60 interviews undertaken with officials as part of a research fellowship on crisis-inspired public service reform efforts in Ireland. These data were compared with 133 interviews undertaken within the United Kingdom with agency chairs, CEOs, politicians and civil servants in the Cabinet Office and departments conducted as part of a wider program of research on the agency reform agenda between 2010 and 2015. Only cited interview material is referenced in the bibliography. In addition to these interviews, extensive documentary research of official publications was undertaken to contextualize and triangulate research findings.

Accountability in Westminster

At the heart of the Westminster model lies the doctrine of ministerial responsibility. This doctrine proposes that the main participants in executive government (ministers) come from and must enjoy the confidence of the legislature, and that they are accountable to the legislature for all actions of the department of which they hold charge. In so doing, ministers provide a key link between the demands for the political accountability of democratic government with the realities of managing a large and increasingly professionalized bureaucracy. The fact that ministers and their departments are one and the same entity under this convention sets the Westminster model apart from other systems, which place great emphasis on separating the domains of ministerial office and public administration. Adopting Bovens’s (2007) well-cited definition, ministerial responsibility thus implies a formal relationship whereby an actor (a minister) is called “to account” for their actions by another forum (parliament), with the minister accepting that the parliament has potential authority to impose sanctions. For this reason the Westminster model has traditionally been characterized by a simple “command-and-control” conception of hierarchical accountability.

In practice, however, the doctrine has proved elusive to uphold (Rhodes et al. 2009, 36-7) with Woodhouse arguing the doctrine is “prescriptive” rather than “descriptive” (1994, 5). Ministers in Westminster systems find themselves faced with accountability demands from a variety of sources including judicial, public opinion, and marketplace, as well as traditional parliamentary and political sources (see Willemss and Van Dooren 2011 for a review of sources of accountability demands). And there are many examples of ministers invoking different conceptions of accountability to avoid assuming responsibility for policy failures. The fragmentation of

accountability requirements and understandings thus challenges the simple Westminster view of accountability via ministerial responsibility, and yet that interpretation has remained prominent in the language and understanding of administrative and political reform (Bevir and Rhodes 2010).

In this article, we are particularly interested in two elements of an accountability relationship—control and oversight. “Control” refers to the ability of principals to impose rules or demand specific actions and accounts from actors with or without prior notice, while “oversight” refers to the ability of the principals to survey the work of actors under their control (often referred to as “police patrol” in the principal–agent literature). Both are anticipatory or *ex ante* forms of accountability, serving to ensure compliance. They are particularly important in the context of ministerial department–agency relationships, and the extent to which agencies are subject to them by their “parent” department. Before considering their application, we first examine the challenges posed for Westminster systems by the growth in “agencies.”

The Agency Problem

By “agencification” we refer to the well-documented fragmentation of multipurpose state bureaucracies into congeries of smaller, special-purpose, semiautonomous bodies (Pollitt and Talbot 2004; Pollitt et al. 2004; Verhoest et al. 2012). New Public Management played a strong role in the trend toward agencification through its emphasis on functional specialization and performance-related budgetary delegation, as well as bureaucratic de-regulation (Hood 1991). Through this process, agencies came to be viewed as an essential and valuable part of the administrative landscape (Durose, Justice, and Skelcher 2015), not least because devolved task specialization was perceived to be more efficient.

Governments created agencies to deliver advice, conduct regulation, and engage in a range of executive and other functions (Aucoin 1990; Gregory 2003; Hood and Peters 2004). Agencies took over activities as diverse as the provision of driving licenses (the Driving Vehicle Licence Authority in Britain and the Road Safety Authority in Ireland), the monitoring of broadcast media (the Broadcasting Authority of Ireland and Britain’s Ofcom), and developing and investing in the arts (The Arts Council in Britain and Ireland, respectively). The creation and use of such arm’s-length organizations have long been recognized in the study of public administration, but many countries experienced a dramatic and parallel increase in their use after 1990. As a result, agencification has been the subject of a burgeoning number of country case and cross-national studies seeking to document the changing agency population, the effectiveness and efficiency of their governance structures, and the consequences for their performance (Christensen and Laegreid 2006; MacCarthaigh and Roness 2012; Verhoest et al. 2012).

Agencification also had profound implications for our understanding of the state. In contrast to the logic of the traditional Westminster model, with its emphasis on vertical lines of accountability and control, agencification increased the complexity of the administrative state and in so doing created accountability challenges for parent departments and parliaments alike (Flinders 2009; Verhoest et al. 2010). The expansion of accountability “chains” arising from extensive delegation, and the increased range of tasks for which governments are ultimately deemed accountable to parliament by virtue of agencies’ work altered the character of the state, raising questions over central government’s capacity to exercise political oversight. Laking (2005), for example, pointed to problems arising from loss of control by central government of agency operations, the abrogation of political accountability, evasion of general rules

for staffing and budgeting, exposure of government to financial and employment risks, and opportunities for political patronage and corruption.

Echoing concerns about the implications of these shifts for democratic accountability, and with the window of opportunity provided by the financial crisis, governments have pursued a range of reforms that have a common emphasis on seeking a return to more conventional hierarchical governing dynamics (Christensen and Laegreid 2010). Political elites in particular have focused on reductions in the number of agencies in a bid to reduce the perceived complexity—and cost—of the state. The success and impact of such reforms is not of primary interest here. Rather we focus on the dynamics and implications of more recent reforms in Britain and Ireland, demonstrating that these have implications for our understanding of the Westminster model.

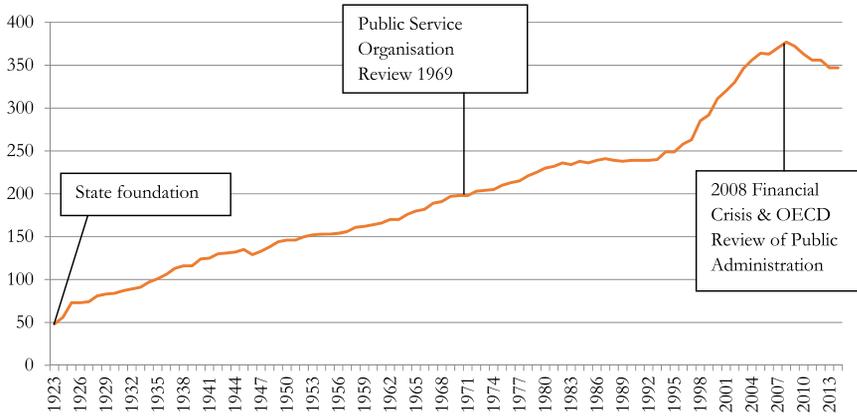
To capture the main dimensions of this change we distinguish between two types of agency reform. Type 1 reforms are numerical controls. They encapsulate most historic agency reform efforts and are concerned with reductions in the number and expenditure of agencies. Such reforms are generally backed by a discourse that depicts the number of agencies as problematic in itself, and that would seek to emphasize the supremacy and legitimacy of ministers and departments over agencies. Type 1 reforms are therefore underpinned by a hierarchical conception of state power based on “command-and-control” relationships between minister and department on the one hand, and agency staff on the other. In contrast, Type 2 reforms focus on relational controls. These initiatives are concerned with the inner functioning of agencies and the way they are managed. Type 2 reform drives are rather agnostic about the merits of hierarchical control, and are more tolerant of the variety of relationships that may obtain between ministers and departments and the agencies for which they are accountable. They are informed by ideas drawn from network-based theories of governance, and are sensitive to shifts in regulation, oversight, and review that alter the way agencies are governed. Type 2 reforms may well be implemented through a top-down exercise of government authority. But these reforms recognize the value of agencies, seeking not to end these bodies altogether but rather to reframe accountability relationships.

In discussing agency reform in Britain and Ireland, we use these two reform types to highlight a shift in Westminster governance. Our analysis recognizes previous attempts (mainly in Britain) to reduce agency numbers and impose standardized controls; however, we argue that these latest instances of reform are distinctive because they have led to sustained changes in agency governance. Our contention is that recent reforms in both countries exhibit evidence not just of centralized control and oversight, but also an interest in a more collaborative, partnership approach between agencies and government departments. While reforms in both jurisdictions have led to a reduction in agency numbers, these Type 1 reforms have also been accompanied by Type 2 reforms to oversight and accountability relationships. In outlining this shift we do not seek to oversimplify evidence of change and, recognizing diversity in the agency landscape, avoid the tendency to outline a “one-size-fits-all” account of agency oversight and accountability. Rather we use qualitative data to highlight specific examples of reform that attest to the need to revisit the explanatory purchase of the Westminster model.

Agency Reform in Britain and Ireland—Parallel Experiences

In Britain and Ireland, studies of agency reform have exposed a complex and shifting landscape over time. Both countries’ agency populations emerged in an evolutionary fashion, resulting in considerable variety in form, function, and mode of governance (Flinders 2009; MacCarthaigh 2012a, 2012b). In Britain it is possible to identify semi-autonomous bodies in the form of commissions as early as 1540 (Flinders, Dommett,

FIGURE 1
Public Organizations in Ireland (Other Than Ministerial Departments) 1922–2014, and Review Processes



Source: Hardiman et al. (2014).

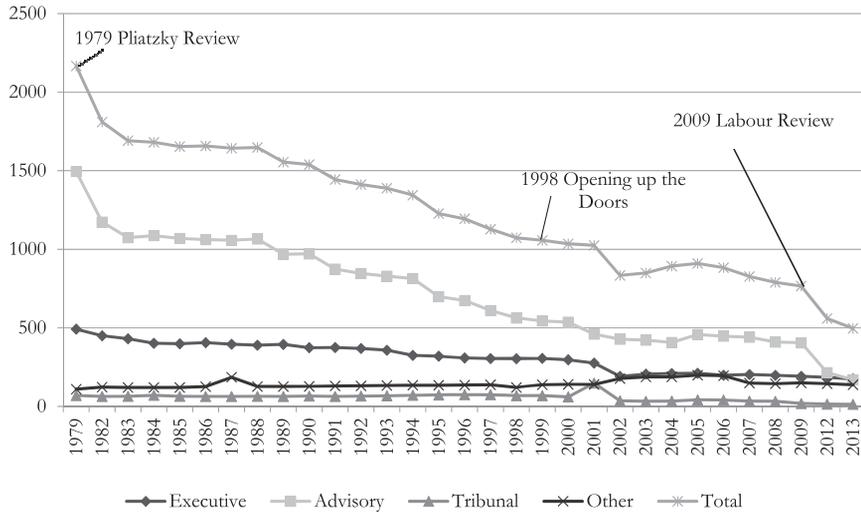
and Tonkiss 2014, 5), and a significant growth in these bodies from the 1900s. While no comprehensive list of agencies exists, the official review conducted in 2010 identified 904 bodies with many other forms of arm’s-length body not included in these statistics.

In Ireland, as a smaller and more recently independent democracy, the increase in the agency population can be tracked more readily. Drawing on a longitudinal data set of all agencies created since independence in 1922,² Figure 1 depicts the increase in the aggregate number of agencies until 2008, the point at which a reform agenda designed to reduce their number was initiated. Unlike Britain, the sharp increase in the number of agencies during the 1990s and 2000s was not driven by New Public Management as neither budgets nor managerial authority were systematically devolved, and performance-based evaluation remained peripheral to agency control. Instead, agency proliferation reflected other priorities in Irish public administration, such as the desire to create a politically popular profile for new policy concerns, and a means of recruiting and retaining specialized skills and policy competences that generalist recruitment to the civil service would make more problematic (Hardiman and MacCarthaigh 2011).

As in Britain, agencies are therefore long-standing features of the administrative landscape. And yet there has never been a clear framework in either context that prescribes when or why an agency should be created in Ireland, what tasks they are most appropriately suited to, or how they should be held to account. This has resulted in what the OECD has termed an “organizational zoo” (OECD 2008), and has inspired increasingly vociferous calls for agency reform.

In Britain, political attacks on “quangos” are a recurring feature of political debate. Margaret Thatcher condemned “the croak of the quango” in her 1978 speech to the Conservative Party conference, and Tony Blair pledged to place “the quango state” in “the dustbin of history where it belongs” (1996). This rhetoric has translated into successive reviews aimed at delivering reform. As Figure 2 depicts, the Pliatzky review of 1979, Labour’s 1998 review *Opening up the Doors*, and a further 2009 review have been used to drive reform in this area. All these initiatives claimed to produce reductions in the number of Nondepartmental Public Bodies (NDPBs). Figure 2 shows an impressive reduction in numbers over time; however, as Dommett and Flinders

FIGURE 2
Nondepartmental Public Bodies in Britain and Review Processes



Source: Compiled by authors from Cabinet Office Public Bodies Data.

(2014) argue, in practice agencies remain a significant part of the state administration and concerns remain over the quality of agency management and sponsorship (HC 537 2011).

In comparison to Britain, political interest in reform in Ireland is more recent. In 1969, a study of the organization of the Irish public service (Public Service Organisation Review Group 1969) reviewed the agency landscape and identified considerable variation in agency creation and management. It proposed reforms such as more uniform accountability arrangements between departments and agencies, and more non-statutory “executive” agencies akin to the Next Steps model in Britain. Little came of this however, and further calls for reform (including uniform accountability arrangements) were limited until the 2008 OECD review.

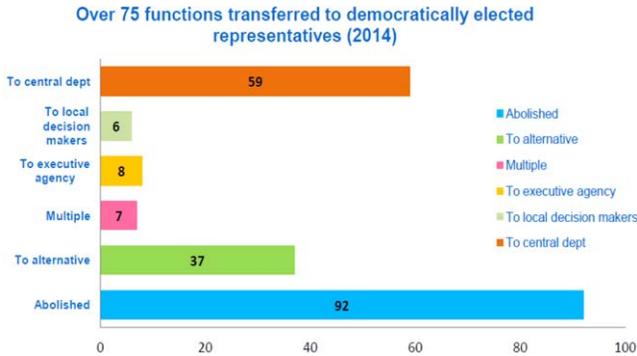
Examining both countries shows that agencies are an established, if contested, institution of state governance. Despite negative rhetoric and repeated reform programs in Britain, they remain critical to the way in which political executives give effect to policy. Historically, where agency reform programs have been launched, they have focused on reducing numbers and attempts to alter accountability arrangements for agencies have been limited or short-lived. These dynamics have meant that the oversight and control of agencies has—despite high-profile signs of reform—remained largely the same. Against this backdrop, the reform agenda pursued from 2008 in Ireland, and from 2010 in Britain, are of particular interest, since in both cases the reform initiative addresses questions of accountability and control that have implications for the resonance of the Westminster model as a frame for understanding the state.

Reform in Britain

Previous reform efforts in both Britain and Ireland had mainly been driven by Type 1 motivations and hence have done little to alter governing dynamics. After 2008, an interest in reducing the number and expenditure of agencies loomed large in both jurisdictions once again. In Britain, following the 2010 general election, the new

FIGURE 3

Cabinet Office Figures on Functions Transferred to Democratically Elected Representatives



Source: Cabinet Office (2014, p. 11).

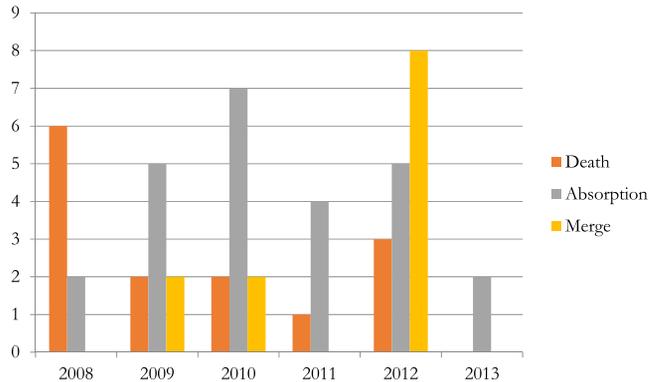
Conservative/Liberal Democrat coalition outlined plans for “reducing the number and cost of quangos” as well as increasing the accountability and transparency of these bodies (HM Government 2010, 16; HC 313 2010). But while this mirrored previous Type 1 reforms, it also showed some evidence of a more “sophisticated approach” (Cameron 2009) due to the focus on accountability and transparency that addresses concerns about the impact of agencification for the Westminster model.

Progress in effecting reform has been marked. By the end of 2013, 286 of the 306 agencies scheduled for abolition (due to closure or merger) had been closed, meaning that 94% of the expected total reductions were complete (Cabinet Office 2014). These changes were accompanied by cumulative financial savings estimated by the Cabinet Office to stand at £2 billion (Cabinet Office 2014, 3). While some questions have been raised about the extent of change achieved (Dommert and Flinders 2014; Dommert et al. 2015), it appears that a significant reorganization of the agency landscape has taken place. In addition to a focus on agency numbers, these Type 1 reforms have seen significant numbers of functions brought back under the direct oversight of elected politicians, with 75 functions reported to have been transferred in this way (Figure 3, above). This process has been claimed to improve accountability and transparency, suggesting that Type 1 reforms have been appropriated to address concerns over the impact of agencification on traditional conceptions of state governance (Cabinet Office 2014).

Reform in Ireland

A very similar process of reform is evident in the Irish case. An independent review of the Irish public service by the OECD noted the variety in governance and accountability arrangements (including the variable incidence of boards of directors) for the multitude of state agencies. It also suggested that the propensity to create autonomous agencies with governing boards be replaced by a greater use of “departmental agencies” with clearly defined tasks and no boards (OECD 2008, 300–302). Echoing traditional Westminster principles, the statement recognized that “Departments are the primary locus of public policy formulation and advice for ministers; accordingly, these functions should be integrated within Departments and not unnecessarily devolved to outside agencies” (OECD 2008, 39). It also recommended a “new

FIGURE 4
Agency Rationalization in Ireland 2008–2013



Source: Hardiman et al. (2014).

governance framework in respect of State agencies,” and that “a detailed review be undertaken of existing agencies to identify opportunities to amalgamate, rationalize and make greater use of shared services” (OECD 2008, 40). However, the crisis in the Irish economy and a rapid contraction in the public finances meant agency governance reform plans quickly gave way to agency closures. A suite of 33 agency terminations was announced in an emergency budget,³ to take place through a process of mergers, dissolution, abolitions, and functional recentralization.

As in Britain, reform was pursued on a top-down basis, characterized by Type 1 priorities. Renewed impetus was again given to agency reform after the general election. In 2011 Ireland’s new coalition government, in its *Public Service Reform Plan*, announced its intention to proceed “with the rationalization of 48 Bodies by the end of 2012 [and nominating] another 46 Bodies for critical review by the end of June 2012” (Department of Public Expenditure and Reform [DPER] 2011, 52). In assessing progress, official statistics suggest that a reduction in numbers and financial savings has occurred (see Figure 4). The DPER concluded that “measures affecting more than 90% of the bodies to be merged or rationalized are completed, and when the remainder are fully completed there will be 181 fewer bodies operating in the Irish Public Service than in 2011 as a result of the measures taken in the programme” (DPER 2014b, 1). While progress in deagencification has not been dramatic, it has been sustained, resulting in an unprecedented year-on-year decline in the number of public organizations since the foundation of the state.

In both countries, the outcomes reflect success in the stated terms of Type 1 reforms. Ministers outlined a clear determination to effect change that translated into marked reductions in the number and cost of agencies. These outcomes are surprising, considering the historical experience of modest agency reforms, but they are interesting here as they signal an interest in not only reducing governing complexity but also reinstating central government control and enhancing top-down accountability mechanisms. Such developments signal a return to key principles of the Westminster model. However, we argue that it is not simply change at Type 1 that is significant about these reforms. We also discern a more fundamental shift, through the implementation of what we term Type 2 reforms, a shift that has implications for understanding of the Westminster model.

TABLE 1
Content of Type 2 Reforms in Britain and Ireland

	Britain	Ireland
Creation of agencies	New approval procedure, including business case	Business case
Oversight of agencies	Greater financial control and monitoring	Use of memoranda of understanding & service/performance-level agreements
Management of agencies	Review of sponsorship	Search for more regularity within and across departments, performance budgeting, shared services
Review of agencies	Creation of triennial reviews	“Regular” reviews of agencies and their purpose

Moving Beyond Numbers to Negotiated Reforms

In addition to cuts in the number of agencies, the reform agenda pursued in Britain and Ireland displays an innovative range of administrative processes, and evidence of an attempt to alter the dynamics of agency governance. In presenting these changes we identify four initiatives, summarized in Table 1 above, that signal a new shift in approach. These concern the creation of new agencies, the terms of agency oversight, the mode of management of agencies, and the manner in which agencies are reviewed. Of course all are not entirely novel, but they cumulatively demonstrate a change in the way agencies are managed and reformed with respect to questions of accountability and centralized control. While, on the surface, these reforms signal the return to greater direct oversight and hierarchical control, our qualitative findings also find evidence of a more collaborative, partnership approach, suggesting an important departure from the Westminster ideal. Such findings reflect the call by the minister of the UK Cabinet Office, Francis Maude, in 2014 for:

stronger, more strategic relationships between public bodies and departments. . . . Only a strong partnership between central government and the leaders of public bodies can continue this transformation. (Cabinet Office 2014)

The Creation of Agencies

In both countries examined here, attempts were made to address the propensity of ministers of all political orientations to create new bodies in response to a policy problem. While opposition parties are keen to criticize quangos, in office they routinely come to rely on these bodies as vehicles of policy implementation. This tendency has played a significant role in increasing the aggregate number of agencies. As one British interviewee reflected, agencies are often set up on “Ministerial whim. It’s shocking. It is so shocking. You can’t defend it” (Interview 1). In both contexts there has been a concerted effort to manage and control this tendency. This suggests a shift in agency governance that addresses the diversification seen to undermine aspects of the Westminster model.

In Britain, guidance published in 2012 “stated Government policy that new NDPBs will only be set up as a last resort, when consideration of all other delivery mechanisms have been exhausted” (Cabinet Office 2012, 4). New procedures now require

departments to consider all possible delivery models for new services or functions, only proceeding to propose a new agency when all other options have been exhausted. Then departments must present a fully costed business case to the Cabinet Office and, where appropriate, HM Treasury. They must also engage stakeholders and other departments in consultation about the proposals. Only when express approval of the business case is gained from the minister can a new body be announced, establishing significant barriers to the creation of new agencies. This process has resulted in few new NDPBs being reported in official statistics, and interviews within departments reveal the presence of high barriers to the creation of new agencies.

In Ireland a similar process is apparent. The OECD had been particularly critical of the ad hoc manner in which agencies had been created and the variety in governing arrangements put in place on creation. The 2011 Reform Plan proposed to introduce “sunset clauses” for any new agencies, and to conduct “annual reviews on the continuing business case for all significant State Bodies” (DPER 2011, Appendix II). Formal guidance along the lines of that evident in Britain (Cabinet Office 2012) has not been issued, but interviewees within Irish departments have nevertheless reported a new cultural expectation whereby “Departments are against new agencies if at all possible” (Interview 2). Emphasis is instead reported to be on “new models” of governance (Interview 9). Reflecting these changes, official statistics reveal a dramatic decrease in the rate of agency creation since 2008, although it should be noted that a limited number of agencies have been created in both contexts.

In regard to the Westminster model this signals a growth in central government oversight and a resurgence of the hierarchical control typically associated with this model. However, turning to the other areas of reform, there is some evidence of a more collaborative approach that suggests the need to rethink the dynamics of agency governance.

The Oversight of Agencies

In regards to oversight, governments in both states have sought to exert greater central control over the operational activities of agencies. These changes have been aimed at increasing the flow of information that is made available about agency performance, allowing greater central government scrutiny of their activities. In both cases, the demand for greater oversight was informed by centralizing tendencies but, in the Irish case in particular, has given way to a more partnership approach.

In Britain, the Treasury implemented financial spending controls after 2010 that required agencies to disclose how much officials are paid, every line of government spending above £25k, every contract worth over £10k (and the actual contract in full), plus other measures, all of which are monitored by a new Public Sector Transparency Board. These changes (among others) limited the discretion of agencies and increased central government awareness of their activities, improving the flow of information shared by agencies with departments. Interviewees within departments and agencies across government have reported a marked shift in management in comments such as: “The centralizing tendency, post the 2010 election, I think is very strong” (Interview 4), “They’re trying to tighten up control very significantly” (Interview 5), and “There’s been a significant increase in controls and requests for information” (Interview 6). This has imposed limits on agency autonomy and has enhanced central government control in line with ministerial desires for greater transparency.

In Ireland emphasis has been placed on quasi-contracts between agencies and departments. The Transforming Public Services report (Department of the Taoiseach

2008, 40) had recommended the “widespread use of service level agreements (SLAs) [which] should form part of the wider performance management framework for those agencies.” This recommendation did not achieve much traction at first, due to the financial crisis, but the reform plan published in 2011 reiterated that there would be “greater use of SLAs with departments that focus on outputs and outcomes” as well as “greater use of meaningful performance indicators” (DPER 2011, 30). Subsequent plans stated that all departments “should ensure that appropriate SLAs or their equivalent are in place with State Agencies under their aegis” (2014a, 23) and that the agreements would “provide a basis for Departments to monitor agency performance against targets and define the expectations that the parent Department has of the body as well as clearly defining its role” (DPER 2014b, 12). Although SLAs were initially imposed as a central mechanism for gaining more information, interviewees now report that the process is more of “a two-way street” where there is “proper agreement between department and agencies” on progress to be made. This latter point suggests that reform should not be characterized as a simple reassertion of hierarchical governance, but is more complex in form—a point we return to below.

The Management of Agencies

Greater attention has also been paid to the management relationship between government and agencies. Reforms both within and across departments have sought to improve the quality of this relationship. In Britain, the Cabinet Office has overseen a review of agency sponsorship (i.e., the way in which departments manage agencies). Responding to repeated criticisms in this area (HC 537 2011), the Cabinet Office convened a cross-Whitehall sponsorship network, which enables departments to share best-practice solutions with each other (Flinders and Tonkiss 2016). In addition, a new competency framework has been developed for civil servants working in a sponsorship role. Sponsorship has also been recognized within the Civil Service Learning framework as a formal professional specialism, a status that is reinforced by new training units and induction packs on sponsorship. These changes were designed to improve the quality of the relationship between departments and agencies, and have been implemented on a hierarchical basis. However, in many departments they have resulted in a more collaborative approach where agencies and departmental staff work in partnership through closer sponsorship relationships to deliver outcomes and ensure efficient and effective governance.

In Ireland there has been a similar search for more consistency in practices across departments. The performance of agencies is now examined in considerably more detail, facilitated by annual output statements and the introduction of a government-wide performance budgeting system, as well as an increase in publicly available data on the budgetary allocation, performance, and expenditure of agencies. While no binding guidance has been issued, a recently revised code of practice contains more detailed requirements for performance management, which some departments have adopted on an ad hoc basis (Interview 9). The government elected in 2011 also placed particular stock on the use of shared services as a cost-reduction reform measure (MacCarthaigh 2014b). Agencies are now required to share corporate supports such as payroll and IT services with parent departments and other agencies (DPER 2014a, 23). Again, this collaborative approach to the deployment of administrative support functions challenges hierarchical conceptions of department–agency relationships within what are perceived to be archetypal Westminster systems.

The Review of Agencies

Finally, both countries have sought to secure the legacy of reform by institutionalizing ongoing review procedures designed to regulate the number of agencies on a continuous basis. In Britain, the Cabinet Office designed a program of triennial reviews in 2011. This is implemented by departments and was intended to ensure that every three years, agencies would be subject to the same type of review process as had occurred in 2010. These forms of review were similar in many ways to the older quinquennial reviews, a process that had been adopted following the 1979 Pliatzky review (Dommett 2014). Triennials directed departments to examine the function, form, and governance of agencies, allowing them to consider their purpose and configuration. Triennials were designed to provide an opportunity for further reform or abolitions, to identify areas of improvement, and, following an evaluation of the initial review process and revised guidance, to focus on enhancing the efficiency and effectiveness of bodies (Cabinet Office 2014). The implementation of these reviews has been operationalized in different ways, with some pursuing a top-down approach and others working with agencies, viewing these reviews as “a real opportunity for us to deliver better outcomes, get better bang for buck, and make the system work better” (Interview 7). A good deal of variation is evident in the process (Dommett 2014) but there are nevertheless signs of a more collaborative approach to agency governance within certain departments.

In Ireland, there have been several reviews of the agency landscape since 2008 with a view to reducing aggregate numbers. It soon became apparent that closing and merging medium to large-sized agencies would produce relatively little in the way of savings, and might even incur additional costs, and as a result, political interest in pursuing agency rationalization decreased. A report published at end-2014 announced that there would be a new strategy of “Periodic Critical Review” for state agencies (DPER 2014b, 12), involving regular business case reviews for each agency. However, despite this statement of intent, limited progress has been made on implementing these reviews systematically, and interviewees report limited change in existing practices (Interview 8). In summary, the top-down approach to reducing agency numbers through closures has yielded limited success and has given way to a more negotiated system of periodic review in which agencies themselves play a role.

Discussion

This overview reveals that the reform agendas undertaken in Britain and Ireland were multifaceted undertakings that focused not only on reducing numbers and expenditure (Type 1 reforms), but also on reforming governance arrangements to improve control, enhance management practices, and deliver effective governance (Type 2 reforms). The ideals underlying these reforms reflect the idea of Westminster as a “persistent structuring tradition” (as identified in the Introductory paper) around which ideas of hierarchical and departmentally organized control and accountability structures dominate. The latest agency reform programs in Britain and Ireland contain a desire to entrench the principle of centralized accountability and control within governing mechanisms. As can be seen, however, this approach has not been enacted entirely in accordance with the top-down, centralized logic associated with the Westminster model.

Our interest in agency reform lies in how these changes have altered agency governance and the significance of these changes for how we understand the state. Our analysis has revealed a wide range of new Type 2 initiatives that have altered the

way agencies are regulated and managed. The introduction of new review mechanisms, a focus on control over agency creation, and tighter oversight and management demonstrate a resurgence of central oversight and control. Unlike previous Level 1 reform attempts that have focused on reducing numbers (and by association complexity), recent reforms have therefore seen the Cabinet Office and DPER each design and roll out programs intended to meet ministers' aspirations for stronger control over agencies. In this way new oversight and accountability arrangements have been created and enforced, suggesting at first glance the resurgence of a form of governance traditionally associated with the Westminster model.

Our qualitative analysis has, however, revealed variation in the implementation of these ideas and evidence of a more markedly collaborative approach in practice. In the United Kingdom, for example, triennial reviews have been widely implemented on a top-down basis, a point reflected in one department's assertion that "this is our review, a [departmental] review of [an agency]" (Interview 11). As such, many reviews were conducted in which agencies were the passive recipients of greater oversight. Yet, in certain instances interviews uncovered evidence of a more collaborative approach whereby agencies worked with departments to identify fruitful areas for reform. In this way an agency within MOJ reported positive outcomes arising from the fact that "very early on, about six months before our provisional start date, we engaged with the MOJ team in sort of a pre-planning exercise" (Interview 6). This meant the process

... was very much a two-way thing. We saw it as a joint exercise and I think that's how MOJ approached it as well. It wasn't something that was being done to us. (Interview 6)

In Ireland, similar diversity in approach is in evidence. Initial ambitions to engage in a quango bonfire gave way to agencies achieving more routinized forms of engagement with their parent departments, through such means as bilateral SLAs. And the proposed "sunset" clauses for any new agencies have not been enforced in a standardized way. These differences are not surprising; they reflect the diversity and complexity of the governmental and agency landscape. Some departments are well resourced and possess ample capacity and incentive to build collaborative relationships with agencies, while others lack these capacities and indeed these motivations. The agency landscape in both countries can therefore still be understood as an "administrative zoo," lacking uniform characteristics and processes, which makes it all the more difficult—and indeed potentially counterproductive—to characterize reforms in a unidimensional way.

Our analysis presents a number of findings concerning the evolution of Westminster governance. In both Britain and Ireland, we note that a large network of agencies has long formed part of the system of public administration and should be considered as an integral part of the Westminster model itself. Reform efforts since 2008 have relied to a considerable degree on the hierarchical mode of public sector governance that is most commonly associated with the Westminster model. This accords a central role to ministerial preferences and prioritizes a top-down control structure and associated chain of accountability. Increasing the capacity and focus of central government has been critical to delivering ministerial objectives, and "control" powers have been strengthened in the process. This feature of the Westminster model continues to be very important.

In looking beyond what we term Type 1 reforms, however, our examination has highlighted the significance of a different set of power relations. Recent reforms have placed a greater emphasis on the regulation of relations *between* ministers and

agencies, and departments and agencies, rather than simply seeking to assert superior–subordinate relations. Detailing four areas of reform, we have mapped out an approach to agency governance that demonstrates the significance not only of hierarchical structures, but also of a multilevel, collaborative approach. These features of what we term Type 2 reforms are not new within the Westminster model itself, but they have generally taken second place to Type 1 reform. In examining recent agency reforms we have found evidence of a partnership approach, where agencies are not simply passive recipients of reforms that are initiated elsewhere, but play an active role in shaping and implementing change. This suggests that while the classic Westminster model usefully captures some aspects of developments in agency governance, it requires adaptation to take account of evolving dynamics of governance in a Westminster context.

In reviewing developments in agency reform in Britain and Ireland, we find that agency governance has come to exhibit far higher levels of ongoing regulation than might have been anticipated, suggesting a shift away from periodic moments of reform to a more continuous process of management. This trend bears some resemblance to the continental European approach to agency management, and indeed it may reflect some convergence between different types of public administration in modern complex societies. But more pertinently, our findings indicate the virtue of rethinking the Westminster model. By giving due weight to both Type 1 and Type 2 reforms, and using qualitative research to expose the practical application of these reforms, we have argued that scholars can better conceptualize the way the state operates. We recognize not only the hierarchical, top-down mode of agency governance, but also the importance of a complementary process of negotiated and interactive governance, without which an overreliance on the hierarchical mode of agency reform is likely to fall far short of its ambitions.

Conclusions

In conclusion, it would appear that there is a need for caution in heralding the return of an ideal form of Westminster model in the dynamics of governing. Recent reforms have exhibited an attempt to move beyond a simple reduction in numbers and have seen the top-down imposition of stronger accountability arrangements in the form of greater central oversight. But the significance of the reform drive in both countries goes beyond any simple claims about the resurgence of greater hierarchical control. Top-down explanations are unable to account for the nature and consequences of change; indeed, we uncover evidence of governance that might be more closely associated with practices in Arend Lijphart's consensual democratic systems than in ideal-typical majoritarian, Westminster-type systems (Lijphart 1999).

In seeking to characterize change we return to the nature of the Westminster model, revisiting the points made in the introduction to this special issue. As Grube and Howard argue, the Westminster model can be conceptualized in many ways, and may be understood as a set of fixed criteria, a persistent structuring tradition, or an example of exchange relations. In this article, the Westminster model is viewed as an interpretative framework wherein traditions are constantly reshaped and evolve. This reflects Hogwood's (1995) assertion that the Westminster model has long been characterized by diversity. For many scholars our findings would suggest the irrelevance of Westminster, but from this perspective, we argue that they suggest a new incarnation of Westminster rather than a different model of governance. The Westminster model has evolved to exhibit both hierarchy and collaboration within a diverse system of agency governance.

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Interviews

- Interview 1. (January 2012) Interviewee Youth Justice Board, London.
- Interview 2. (November 2014) DEC official, Dublin.
- Interview 3. (November 2014) DPER Officials, Dublin.
- Interview 4. (November 2012) Forestry Commission Official, Phone Interview.
- Interview 5 (October 2012) Consumer Focus Official, London.
- Interview 6. (August 2013) Criminal Cases Review Commission Official, London.
- Interview 7. (April 2013) BIS Official, London.
- Interview 8. (November 2014) Legal Aid Board Official, Dublin.
- Interview 9. (November 2014) Department of Justice Official, Dublin.
- Interview 10. (August 2013) Cabinet Office Official, London.
- Interview 11. (April 2013) Ministry of Justice, London.

Notes

1. There is much practical and conceptual debate over what exactly constitutes a quango, or agency, as well as the meaning of "arm's length." For the purposes of this article, our focus is on those organizations that operate outside of ministerial department structures on a statutory or nonstatutory basis, and which are not explicitly commercial in nature. For a fuller discussion of the array of meanings attributed to the term quango see Flinders, Greve, and Van Thiel (1999), Roness (2007), Smullen (2010), Elston (2014).
2. A broad interpretation of agency was used in designing this database: Bodies that carry out state functions were included even if they were not directly funded or controlled by the state. For more on this, see Hardiman and Scott (2010).
3. Annex D to Budget 2009 proposed to reduce the number of agencies by 41, but the process also involved the creation of new agencies through mergers, while other mergers concerned back-office functions only, leaving the agencies concerned functioning.

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