

**Next Steps Agencies**

Hansard 17 Jan 2001

Dr. Alan Whitehead (Southampton, Test): What plans she has to review the attachment of next steps agencies to Government Departments. [144197]

The Minister for the Cabinet Office (Marjorie Mowlam): Next steps agencies are subject to regular reviews, usually at five-yearly intervals. These examine all status options, including the positioning of the agency under review within a given Department.

Dr. Whitehead: I thank my right hon. Friend for that reply. Does she accept that the positioning of the next steps agencies within particular Departments owed more to their origin within those Departments than to their function? Does she agree that, after 12 years of their working, a review of functions would be appropriate, with a view to ensuring that the agencies are appropriately placed?

Marjorie Mowlam: I take my hon. Friend's point, which I can assure him has not been ignored, because it is one that the Department has spent some time considering. As I said in answer to his first question, we review the agencies every five years, and they are also under constant yearly review, and the issue that he raised is included in that process. We have not changed the host Department of any agency, but we have much more cross-cutting work between Departments and agencies so that their public service agreements are shared and their production is maximised.

Rev. Martin Smyth (Belfast, South): One understands why the next steps agencies were set up, but is the Minister convinced that there is proper scrutiny of those agencies by Parliament?

Marjorie Mowlam: From where I sit, yes. We scrutinise well, and if Parliament does not scrutinise the agencies, that is Parliament's responsibility, not mine. I can assure the hon. Gentleman that we do not let the agencies go unscrutinised. They perform an important function in the delivery of programmes, and I assure him that if there is inefficiency or ineffectiveness, we will not let it grow.

Mr. Gerald Kaufman (Manchester, Gorton): Does my right hon. Friend accept that the Conservative Government's creation of the next steps agencies - organisations that dispose of countless billions of pounds of public money and have intimate dealings with many millions of our fellow citizens - was one of that Government's most disgraceful innovations, as it destroyed genuine parliamentary accountability? Does she agree that no more of those agencies should be created and that the reincorporation of their functions within Departments for which Ministers are responsible to this House will be as significant in advancing democracy as the previous Government's action was in destroying it?

Marjorie Mowlam: I hear what my right hon. Friend is saying. I assure him that we do not let next steps agencies act as free agents. There is constant review and monitoring of their actions. I must add that there are more ways to achieve accountability, transparency and good delivery of public services than through Departments.

Mr. John Bercow (Buckingham): Since the attachment of the next steps agencies to Departments, how much money have they saved through market testing, and how does that figure compare with the savings achieved by the Departments themselves?

Marjorie Mowlam: I am afraid that I do not have those figures at my fingertips, but I shall certainly let the hon. Gentleman have them.