

# Public Administration and Constitutional Affairs Committee

## Oral evidence: The role and status of the Prime Minister's Office, HC 835

Tuesday 10 November 2020

Ordered by the House of Commons to be published on 10 November 2020.

Watch the meeting

Members present: Mr William Wragg (Chair); Ronnie Cowan; Jackie Doyle-Price; Rachel Hopkins; Mr David Jones; Navendu Mishra; David Mundell; Tom Randall; Karin Smyth; John Stevenson.

Questions 29 - 84

### Witnesses

[I](#): Rt Hon Sir John Redwood MP, former Head of No. 10 Policy Unit; Fiona Hill CBE, former Prime Minister's Chief of Staff; Polly Mackenzie, former Director of Policy to the Deputy Prime Minister; Jonathan Powell, former Prime Minister's Chief of Staff; and Professor Sir Geoff Mulgan CBE, former Director of Policy to the Prime Minister.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]



## Examination of witnesses

Witnesses: Rt Hon Sir John Redwood MP, Fiona Hill CBE, Polly Mackenzie, Jonathan Powell and Professor Sir Geoff Mulgan CBE.

Q29 **Chair:** Good morning and welcome to a hybrid public meeting of the Public Administration and Constitutional Affairs Committee. I am in a Committee room in the Palace of Westminster with a small number of staff required to facilitate the meeting, suitably socially distanced from one another, of course. Our witnesses and colleagues this morning are in their homes and offices across the United Kingdom and the Committee is grateful to everybody for giving up their time in such a busy period. I am going to ask our panel to introduce themselves for the record, beginning with Fiona Hill, please.

**Fiona Hill:** Good morning, everyone. My name is Fiona Hill and I served as Joint Chief of Staff to Theresa May for a year between 2016 and 2017. Before that, I spent four years at the Home Office as a special adviser.

**Polly Mackenzie:** I am Polly Mackenzie. I was Director of Policy to the Deputy Prime Minister from 2010 to 2015, based mostly in Downing Street.

**Professor Sir Geoff Mulgan:** Good morning. My name is Geoff Mulgan. I am a professor at UCL. I was Director of the Government Strategy Unit back in the early 2000s and Head of Policy at No. 10. I have worked with quite a few Prime Ministers' offices around the world.

**Jonathan Powell:** Good morning. I am Jonathan Powell. I was Downing Street Chief of Staff from 1997 to 2007.

**Sir John Redwood:** I am John Redwood. I was Head of the Policy Unit under Prime Minister Margaret Thatcher in her middle years. I was also her personal economic adviser. I subsequently went on to become a Minister and have had a seat to observe the functioning of the British Government for quite a few years now.

Q30 **Chair:** Thank you. Sir John, first, on arriving in Downing Street, what was your impression of the resources available to you? What, if anything, did you feel was particularly lacking?

**Sir John Redwood:** When I first arrived in Downing Street, I thought we had more than adequate resource in terms of the staff budget and staff numbers I had. We built up a unit of 10, which I thought was quite enough for what we were doing. I was very keen that we did not overexpand the number of special advisers and I positioned the unit as a Civil Service unit. We were either career civil servants or temporary civil servants and I was very keen that that was how we defined ourselves.

In those days—and this shows you it was some time ago now—we did not even have intelligent typewriters, let alone computers, so one of the first things I did was ask that we modernise the technology so that we didn't need so many backup staff and we could go through many more drafts in



## HOUSE OF COMMONS

a day without the whole thing having to be retyped. That just shows you that the world has moved on quite a lot as the century has turned over.

Q31 **Chair:** Thanks, John. Jonathan Powell, could I direct the same question to you about your arrival?

**Jonathan Powell:** I was quite familiar with Downing Street before I arrived there in May 1997. My principal assessment was that there was a problem with co-ordination between the different parts of No. 10. There was no one underneath the Prime Minister who brought everything together. We would have an unseemly competition on Friday night to get the last memo in the red box from civil servants, from the political people, from the press people. I thought there needed to be better co-ordination.

In terms of the actual resources, I did not feel a particular lack of resources, although because it was the tail end of John Major's Administration, people had left and it was fairly threadbare when we came in.

Q32 **Chair:** Thank you. Sir Geoff Mulgan, the same question, please.

**Professor Sir Geoff Mulgan:** Not to repeat what Jonathan said, like others, I had talked a lot to people who had worked in Downing Street under John Major and Margaret Thatcher, so we were not surprised to discover a pretty thin capability, much more focused on media political firefighting than anything resembling long-term strategy, very weak in terms of capability relative to the Treasury and other Departments, and technologically pretty backward compared to what was even by then normal in other large organisations.

Q33 **Chair:** That is excellent, thank you. Fiona Hill, more recently?

**Fiona Hill:** Mine was a slightly curious arrival in that we had just had a referendum to leave the European Union. I remember vividly walking through the Cabinet Office into No. 10 and as I was arriving all David Cameron's team were departing. They were in shock and I was equally in shock. Our resources had basically drained quite quickly and the preparations for Brexit were fairly scant. We had a probably unique situation compared with most people's experiences of going into Downing Street for that reason.

Q34 **Chair:** Thank you. Polly Mackenzie, quite unique circumstances again with the first coalition Government in many years. What changes were you able to make to strengthen the Liberal Democrats' own resources at the centre of Government?

**Polly Mackenzie:** It was an ongoing process that took basically the full five years. It will not come as a surprise that we had done no preparation for being in government in comparison with the Conservatives, so we came in with a set of commitments to restructuring the centre that emerged from Conservative planning, including closing down the strategy unit, the Prime Minister's delivery unit and a radical reduction in the number of special advisers.



## HOUSE OF COMMONS

It then took us a period of time on both sides of the coalition to recognise that resources needed to be increased. On the Deputy Prime Minister side, we slowly built up a cadre of special advisers and a research and analysis unit over the next three years, but within No. 10 we also built up a civil servant-led joint policy unit to try to drive the centre of Government support from a non-partisan perspective.

**Q35 John Stevenson:** Jonathan Powell, there has been a trend towards much greater resources for the Prime Minister over recent decades, probably including your time. What do you think has driven this?

**Jonathan Powell:** It is partly the modern world. There is much more to do if you are trying to run a Government. You have to have more staff, more people to get things done, particularly on the media side. I think it is mainly that the world itself has changed and therefore there are more resources.

I must say that I was always pretty strongly against making too big a No. 10. My brother, who worked for Mrs Thatcher, used to make fun of us for having too many people and it has massively expanded into the Cameron era and now into the Boris Johnson era. I am very influenced by a member of the Kanzleramt, the German Chancellery, who worked for us for a few weeks, who came to see me before he left and said, "Whatever you do, don't replicate what we have in Germany, a huge bureaucracy at the centre replicating every single division in the Government. We have to have it because of the coalition Governments, but it is a mistake. Try to keep No. 10 small and light". I personally think it is a mistake to make No. 10 too large. I think there is a certain driver from the way the modern world works.

**Q36 John Stevenson:** Thank you. Turning to Polly Mackenzie, obviously you were in a coalition Government. Was there any reversal of this trend or did it continue in your period in office?

**Polly Mackenzie:** Initially there was a substantial reduction in the number of staff, both within No. 10, but also within central units directed by No. 10's strategic direction. It was over time that we recognised that the ability to man-mark Departments was going to be important, especially in holding a coalition together, understanding what Departments were doing and ensuring they were accountable to a plan that had been agreed at the top in order to hold the two parties together. There was the re-establishment of an implementation unit to ensure that commitments were followed through on and that became increasingly politically important, given that Departments led by Conservative Ministers or Liberal Democrat Ministers were less inclined to press ahead with the implementation of policies that had been presented initially by the other party.

**Q37 Chair:** Could I perhaps bring in Fiona Hill, probably the most recent person to work at No. 10, for her view on that trend toward the greater resource of the Prime Minister? Was that solely driven by Brexit or just a continuation of that trend, Fiona?



## HOUSE OF COMMONS

**Fiona Hill:** We did not try to change the structure. We did not have time to make structural changes, frankly. We had too much to do. What we inherited was basically the structure as was left behind by David Cameron's Administration from 2015.

I think Jonathan is absolutely right in relation to the modern context. I remember when I started at Sky News way back in the day—and Jonathan would have been in government then—the advent of 24-hour news speeds up decision making, even policy decision making. I am not making a judgment call on that, it is just the reality. Therefore the Prime Minister needs to have enough resource and knowledge around him or her to be able to then hasten some decisions that may, in John Redwood's time, have taken a much longer time.

I would say, on reflection, that if I had been there longer, if we had not had this totemic issue of Brexit, I probably would have thought about not necessarily dismantling altogether the policy unit, but for me the policy unit felt like it was slightly surplus to requirements.

Going to Polly's point, there was a need for that central resource to, as she said, man-mark Departments. When I was at the Home Office, Polly and I would often have riveting conversations about various policies, so that was necessary for that time. In times when we are not in crisis—and we have not been in that time for a while—I do think the policy unit could be stripped down. There seems to me to be a disconnect in the knowledge, and specifically the operational knowledge, between Department experts and No. 10.

Q38 **Karin Smyth:** If I can start with Jonathan Powell, we talk about the modern world, but how far is the pursuit of a greater prime ministerial centre to do with the failure of the Prime Minister to work with the Cabinet effectively?

**Jonathan Powell:** I don't think it is much to do with that. Cabinet Government of the classic sort faded before Mrs Thatcher. Most decisions are made in Cabinet Committees rather than in the Cabinet. Cabinet is very large now. If you look at the Boris Johnson Government, I think it would be hard to say that many of the key decisions have been made in Cabinet rather than elsewhere. I do not think that is the problem.

We had a problem of rivalry between the Treasury and No. 10, and if you have that problem of course you feel lack of troops relative to your opponent, if you like, and your own side. That can be a driver from that point of view. No, I do not think that the change in the way that Cabinet has worked is something that has driven No. 10 to be larger.

**Karin Smyth:** Thank you. Sir John Redwood, would you like to comment?

**Sir John Redwood:** I was extremely keen, defining policy unit as the main operating unit along with the private secretaries in Downing Street as a Civil Service unit, that everything was done properly and constitutionally through Cabinet and Cabinet Committee. Margaret was also of that view. Our task was to work with the Cabinet Secretary to make sure that the



## HOUSE OF COMMONS

right matters were presented to Cabinet and Cabinet Committee and that the Prime Minister was well-briefed.

I was very keen to keep her out of decisions that were properly the decisions for departmental heads or mid-ranking Ministers—because I do not think it helps to have an overenergetic No. 10 trying to intervene across the piece in decisions that should be delegated—and to try to improve relations, which were not always brilliant, within the Cabinet. I got her to institute a one-on-one series of meetings with her leading reports among Cabinet Ministers, particularly when there were big agenda items that needed agreement or things that might be going wrong so that it could be communicated one on one between the Prime Minister and the Cabinet Member outside the confines of the more public Cabinet Committee or general meeting.

I think that helped in the situation where a very strong and interventionist press and Opposition were constantly claiming relations were bad. Given the personality of the Prime Minister, it was very important to demonstrate inside that there was a proper working relationship based on mutual respect and colleagues sorting things out. I think that helped quite a lot that we did it in that way.

**Q39 Karin Smyth:** Thank you. Polly Mackenzie, a different scenario with the Cabinet in coalition. Can you comment on needing to work across Cabinet more?

**Polly Mackenzie:** It is certainly true that the formal processes had to be followed in more detail when a procedural trust needed to be built up between coalition partners. Often policy failure or implementation failure comes from a failure to agree a strategic direction that is shared between the Prime Minister, the Minister and, crucially, the party or parties that are involved in Government. If you have an agenda at the Home Office or the Housing Department that shifts every time a Cabinet Minister is moved or even a junior Minister is moved and suddenly people are ploughing on with a different set of things, it seems to me that you cannot possibly succeed in achieving your goals.

That is something that I do think comes down to Prime Ministers and their relationships with their Cabinet Ministers. I think too often a Cabinet Minister is put in place because it is better to have them inside the tent and they are a difficult person and you are balancing the political needs. Of course that is necessary, but you then need to agree a strategy and a plan for what you as a party, as a Government, seek to achieve from that Department. Otherwise you get siloes and fiefdoms where people don't listen to each other and you do need somebody in Downing Street to pick apart what might be lies or deceptions or work that has not been done. In the end, it comes down to Prime Ministers investing the time and energy in building a trusted relationship with the Cabinet Minister and the party on a shared agenda.

**Q40 Karin Smyth:** Thank you. Geoff Mulgan, do you want to comment on that from the policy side?



## HOUSE OF COMMONS

**Professor Sir Geoff Mulgan:** Yes. All these questions you can see through the lens of how a Prime Minister exerts power over Cabinet and over their colleagues, but you can also look at it through the lens of how Government makes better decisions. Part of the work I did in No. 10 was building up capabilities more in the Cabinet Office to support both the Prime Minister and the Cabinet. The social exclusion unit, the performance and innovation unit and the strategy unit worked for much of their time for other Cabinet Ministers and Departments, trying to bring in external expertise from business and academia and things like data and modelling, which are being talked about a lot now, to help collective decision making become better.

Although I would agree that other countries like Germany with the Chancellery and the US with the White House are warnings about how a big, bloated bureaucracy at the centre becomes a real problem, the opposite problem is when you get a very small, tightknit No. 10, which becomes a sort of bunker mentality, paranoid, obsessed with responding to the day's news, and ends up making very bad decisions from the point of view of the country. One wants the centre to have access to skills, capability and knowledge while also retaining some agility and flexibility.

Q41 **Karin Smyth:** Thank you. Fiona Hill, that is a useful lead-in there. Do you want to comment on working across Cabinet and particularly that point?

**Fiona Hill:** The challenge we had was that we went into Downing Street having not fought an election; ergo we did not have a manifesto. One of the reasons that the speech we did on Downing Street, which Nick Timothy had written for Theresa, was quite comprehensive was because we were slightly worried about the fact that we did not have a manifesto. Therefore I think probably Cabinet for us was sometimes quite fraught because you had respective Cabinet Ministers who probably did not know sufficiently what the Prime Minister wanted from her Cabinet Ministers. That was always a challenge for us and I think it was always likely to be.

In terms of setting policy and then driving that through Cabinet, in the end in the Home Office we were fortunate enough to be sharing the Home Office with a Liberal Democrat special adviser who was excellent and made life so much easier. Had she been around in 2010 I recognise that things might have been less difficult between a Conservative Home Secretary and a Liberal Democrat Deputy Prime Minister.

Q42 **Chair:** Thank you very much. I wonder if I could pose this question to John Redwood first. While special advisers attract a lot of commentary, it seems, and at times controversy, of course No. 10 has more civil servants working in it. What was your impression of the civil servants at No. 10 and what was the division of labour between them and political appointees?

**Sir John Redwood:** Of course my unit was a Civil Service unit. We did not see ourselves as political appointees and we did not do politics. There was a very small political staff led by the Political Secretary and there was a small parallel career Civil Service staff running the Private Office. We worked extremely closely with the Private Office. When we had the Prime Minister's agreement for a policy line, they would send out the formal letter



## HOUSE OF COMMONS

on her behalf, but they accepted that we initiated and developed the conversation on what the Prime Minister's response was going to be to issues coming to her from Government in the rest of Whitehall. We helped her initiate a lot of things that the Government needed to do for strategic reasons.

Listening to the bits of the conversation I can hear—my technology keeps dropping out, unfortunately—I do not accept this proposition that because there is social media now Government have to decide things more quickly and have to therefore decide things badly sometimes. We had a very fast-moving press. Many more people watched the morning and evening news on the television and there was also a very lively and wider circulation print media. We were under remorseless pressure all the time from the press, but we took the view that we were not there to manage the press, the press is like the weather, and that if we got the policy right and governed well we would get grudging respect for that, or at least we would get silence on those subjects and it would be the things that went wrong that got all the press attention, for perfectly good reasons quite often.

We took the view that we made the announcements when we wished to make the announcements, and sometimes Margaret took a long time to make up her mind on things. It might take three or six months to persuade her about a policy line, but once she had decided it, it was very thoroughly researched, it was very clear in her mind, and she would then be very keen to see it through in public dispute, even where—as we would often flag to her—it could prove contentious.

Certainly in the No. 10 I was involved with leading under the Prime Minister, we were very policy and government focused. We were not that interested in the media. Bernard Ingham did a perfectly good job as the Press Secretary and I was very keen not to be part of the news story.

**Q43 Chair:** Thank you, John. Jonathan Powell, how would you characterise that relationship between the civil servant and the political appointee?

**Jonathan Powell:** I had been a civil servant for 16 years before I went to work for Tony Blair in Opposition, when he became Leader of the Opposition. One of the things I had noted in No. 10, particularly under Mrs Thatcher, from my brother and Bernard Ingham was the blurring of lines between civil servants and political appointees. If you stay a very long time with a particular politician, you tend to get associated with them, even if you are a civil servant.

I was quite keen to have fairly clear lines about civil servants and political appointees. The political appointees, the special advisers, the head of the policy unit and people like that should leave as soon as their boss leaves. Civil servants have to be there and to stay there. The job of the civil servants is to tell truth unto power, to tell you when you are going wrong, and the job of the political appointees is to try to get what their master wants done, but to do so with the advice and the help of the civil servants.



## HOUSE OF COMMONS

During our 10 years in Downing Street, I would say that the relations between the Civil Service part of the operation and the political part worked remarkably smoothly, and we had remarkable people like Jeremy Heywood, Ivan Rogers and Olly Robbins working with us. I have to say it was a remarkably smooth relationship. When Tony Blair left power, we were all out the door and the civil servants remained.

Q44 **Chair:** Thank you very much. Geoff Mulgan, would you characterise the same period of time similarly?

**Professor Sir Geoff Mulgan:** Yes, and I was one of the people who started as a special adviser and then became a civil servant, which is maybe a symptom of those blurred lines.

I think there are at least three categories though to keep in mind. There are the purely political appointments, who are very much there to drive a party agenda. On the other hand, there are the civil servants, who have a duty to the national interest beyond the lifespan of an Administration. Then one of the things the Blair Administration did quite a lot was bringing in as advisers experts, people who had deep subject expertise on health, education or other fields. I think that greatly enhanced the ability of Government. Perhaps one of the worrying things in recent years is those roles have been rather squeezed out by purely political appointments of people not necessarily appointed on merit, which isn't necessarily in the long run in the national interest.

Q45 **Chair:** Bringing it bang up to date, more or less, with Fiona, how would you have characterised those relationships between the Civil Service and political appointees?

**Fiona Hill:** There is always a moment where there is a bit of friction, more so in Departments, I think, than No. 10, because No. 10 is like working in a big house with your family, so I think that is a slightly different atmosphere. I cannot remember a moment when we did not rely heavily on Sir Jeremy Heywood, for example.

Just to pick up one point from John Redwood, I have to say it sounds like when he was working there No. 10 was positively dreamy to work in, because no matter how hard I tried not to be the news story, I was sometimes the news story, despite never speaking to journalists and trying to get on with my day job.

**Chair:** That is an interesting point there. Polly indicated she wanted to add to that.

**Polly Mackenzie:** Yes. I agree with Geoff in particular about subject expertise, but there was this challenge a year in when we attempted to recruit a policy unit of senior civil servants into No. 10 to work for the coalition. While No. 10 does have a track record of bringing excellent civil servants into the Private Office as Private Secretaries, we found it was an enormous struggle to persuade people who were not basically type A alpha males to come and work in Downing Street. Downing Street had a reputation for a certain way of working, a machismo, an aggression,



## HOUSE OF COMMONS

screaming and shouting, difficulties that made it quite hard to persuade some people to join or even to apply. The only woman we persuaded to join had to be directly headhunted from maternity leave. She has gone on to great things. When we first recruited that policy unit, we had one woman and three old Etonians, and to me that suggests that there is a cultural challenge to bringing I guess what you would call a kind of neuro diversity, different patterns of working, different mindsets and different thinking styles into Downing Street.

**Chair:** An extremely interesting point. I will ask David Jones to carry on.

Q46 **Mr David Jones:** Back to Sir John Redwood, as Director of Policy, how did you see your role? Did you see it as developing and determining policy for Departments or did you see it as working collaboratively with those Departments to develop policy?

**Sir John Redwood:** The latter. We worked very collaboratively with Departments where we wanted to change and develop policy. For example, we instituted a major review of the welfare system leading to reforms and worked very closely with Norman Fowler, who was the Cabinet Minister chosen to lead that work. I was brought into Downing Street first to assist with the privatisation programme, which was of course very contentious, not just with the Labour side of the electorate but also with quite a lot of the Civil Service. We needed to reform the institutions to get that through. I sent memos to Margaret. She was then persuaded that they needed to undertake a large programme and we then appointed a Minister responsible for driving it in the Treasury and a Treasury unit to supervise it.

I worked closely with them to get them started and then it became a full Government process where individual Departments decided they did want to join in. They were not made to join in but were encouraged to join in. We then developed privatisation across Government with all the appropriate Departments contributing and leading in their areas. I think it is a very good example of how something that was countercultural, which met a great deal of institutional resistance inside the traditional Civil Service and the wider establishment, went through with minimum institutional change, just the appointment of the single Minister and a single Treasury unit. Then each of the main Departments involved developed their own structure because they saw that it was relevant for them and something they wanted to do.

I was in the very privileged position of joining Margaret just after the 1983 big election win, which had been won with practically nothing in the manifesto. While I was very keen, as she was, that anything in the manifesto was delivered, we had a very clear canvas on which to paint. I had a very interesting time presenting her and her senior colleagues in Government with options that could make use of the mandate we had been granted.

Q47 **Mr David Jones:** I am interested to know why No. 10's input was required. Was it to overcome resistance or to encourage? How would you see it?



## HOUSE OF COMMONS

**Sir John Redwood:** The interventions Margaret made on advice were where the issue was much bigger than a single Department and was the structure and strategy of the whole Government. Privatisation was a very clear example. What were we trying to do? Reduce debt and deficits without cutting crucial services like health and education, which needed more spending. It was a way of sorting out the budgets, but it was also transformational because the introduction of competition and private capital meant productivity gains, service improvements, more jobs and so forth in a way in which the nationalised industries were not able to deliver. It was a clear example of something where a Prime Minister should lead.

I then persuaded her that it should be put in a much wider context and it was about an ownership society. We wanted every person to have the potential to be an owner, to be able to buy their council house or to be able to buy shares in the company they were working for or to be able to buy discounted shares from privatisation issues so that they had a little bit of capital themselves that they could build up. She saw that vision and she developed that vision and that surely was something that only a great Prime Minister can do, to pick up a major idea like that, project it, personalise it and then motivate Departments to follow her on it.

Q48 **Mr David Jones:** Turning to Sir Geoff Mulgan, to what extent does Sir John's experience, as he has just described, reflect your role as Director of Policy at No. 10?

**Professor Sir Geoff Mulgan:** There is definitely no doubt that a strong Prime Minister with a strong vision needs to mobilise the whole system behind that vision, but I would go further than that.

A century ago it was absolutely necessary to organise Whitehall in vertical Departments with separate responsibilities. That was the technology of the era. No one creating a Government in 2020 would do that. You would have a combination of vertical roles for schools, hospitals, police and so on, but also horizontal ones. This is partly because the issues, like economic competitiveness or climate change or poverty, cut across Departments. The tools available for organising knowledge, data and people also make it much easier to organise things in a much more flexible, horizontal way. This is what many Governments around the world have been doing. We have become, I think, still trapped in essentially what was 19th century departmentalism. It is embedded in the constitutional accountability of civil servants and Ministers and it leads to this rather weird relationship within No. 10, which tries to enforce a cross-cutting set of priorities on this very old-fashioned vertical structure.

One of the big challenges for this Committee and I hope for any reforming Government is to learn from the best big organisations in other fields, particularly in business but also other Governments around the world, which I think have a better balance of the vertical and the horizontal.

Q49 **Mr David Jones:** Turning to Polly Mackenzie, as Director of Policy Innovation, what was your relationship with the policy unit?



## HOUSE OF COMMONS

**Polly Mackenzie:** The civil servant policy unit within No. 10 was designed to report to both the Prime Minister and the Deputy Prime Minister and help them to develop policy initiatives and then work with Departments to design implementation plans for them. For example, when we were looking at free school meals, we worked with the policy unit staff member who led on education within No. 10 to look at the options. She then worked with the Department and basically I was the political interlocutor on behalf of the Deputy Prime Minister's Office to ensure that options were worked up and developed. Political priorities for the Liberal Democrats, for example, on the pupil premium, were also directed through the policy unit and then through the Department, though we also had a special adviser embedded in the Department as well as a Minister.

Q50 **Mr David Jones:** You have touched on this briefly already, but how did governing in coalition affect the policy role in No. 10?

**Polly Mackenzie:** We had this coalition agreement, which of course is similar to a manifesto, but certainly within 18 months to two years it felt quite old hat, that lots of the things had been done. There was a certain naivety, I think, as well, that we would just be able to move on to a whole new set of policy priorities. There was quite an elaborate process to design what was I think described in the press as coalition 2.0. We had to describe it as coalition 1.1, simply a new set of policy priorities that could keep the coalition going through the second half of the term.

There was always the cycle around fiscal events and spending reviews and the conference cycle as well, which would lead to that pressure building up for announcements and initiatives. I think the policy unit, because it was based in No. 10, struggled to do anything other than pay cursory attention to the Deputy Prime Minister's priorities. In a way, it was too much to ask of independent civil servants to be the ones trying to arbitrate between the Prime Minister's priorities and the Deputy Prime Minister's. That is why over time we built up a research and analysis unit in the Deputy Prime Minister's Office as well to provide some analytical support to the Deputy Prime Minister that was not going to be directly considered by the Prime Minister.

We had lengthy debates with Jeremy Heywood about establishing a set of protocols about when it was and was not appropriate for those policy unit members to submit something to the Prime Minister that did not go to the Deputy Prime Minister or vice versa. Jeremy, in his brilliance, managed to make sure that we never ever wrote anything down about a rule.

Q51 **Mr David Jones:** Fiona Hill, what was your experience of coalition at that time and the relationship with the policy unit?

**Fiona Hill:** I was in the Home Office, which I suppose was the dividing line between Conservative politics and Liberal Democrat politics. The truth is that that was always a tricky relationship, the one between Nick Clegg and Theresa May. They disagreed vehemently on issues like immigration and what to do about counterterrorism, so often we felt quite put upon from the policy unit at No. 10. In fairness to them, they were trying to reconcile a coalition at the centre, but in a big Department—and the Home Office is



## HOUSE OF COMMONS

not just a policy Department, it is an operational Department that has responsibility for massive things, from policing to MI5 to borders—we often felt that we were not being understood.

When someone would come to the Home Office to explain what the centre expected, when you are in a busy job it is terribly difficult and challenging sometimes to try to convey the operational aspect of the policy they wanted to pursue. Sometimes with what seems like a great policy on paper, when you try to translate that, when you try to implement that, it does not work operationally and then you have to be able to tweak it.

In a funny way, I would say at the Home Office I almost became less politically aware and more operationally aware because I needed to understand what the implication of a policy or a piece of politics might be on the ground. If it did not work, what happened on the ground would come back to bite not just the Home Secretary but the Prime Minister.

**Mr David Jones:** It was clearly a very difficult relationship.

**Fiona Hill:** A bit tricky is the word I would use.

Q52 **Mr David Jones:** Would you say that that is something that was inherent in the relationship between individual Departments and the centre at the time of the coalition?

**Fiona Hill:** I do not think it is necessarily just about the fact we were in coalition. In many ways, when I look back on those coalition years, it was quite good from a different philosophical starting point to try to push why you have come to a conclusion on a certain subject. Yes, it may have been frustrating sometimes, but it was probably in democratic terms quite healthy. In fact, in intellectual terms it was probably quite healthy too.

The reason I say that I don't think it is necessarily just specific to coalition is that I think it is more specific to having people working in Downing Street who have never worked inside a big operational department being able to then speak to the Prime Minister and explain to the Prime Minister why a Home Secretary or a Foreign Secretary wants to pursue a particular avenue or a particular policy.

Another small point I would make, without going on for too long, is that of course—and Jonathan Powell will understand this too—the longer a particular party is in power, the reach for talent becomes smaller and harder. All the good people who learned how to do politics in Opposition and then went into Government and then learned how to do government on top of being able to do politics tend to have families or be poached and disappear. To be honest, by the time I got to No. 10, trying to recruit very good people was enormously difficult, at points almost impossible.

Q53 **Ronnie Cowan:** Good morning. This question is primarily to Geoff, but if any of the other witnesses want to jump in, please do. I have real issues here. Correct me if I am wrong, but we do not know, within the Cabinet Office what is the Cabinet Office and what is this No. 10 unit. The No. 10 unit seems to be completely unaccountable for the number of people it



## HOUSE OF COMMONS

employs, the money it spends and what it is doing on a day-to-day basis. I have concerns about what it is doing with taxpayer money. Prime Ministers have established various specialist units over the years to focus on things such as strategy, delivery, implementation and, more recently, this ubiquitous data science, which to me rings bells of the nudge unit and behavioural science. What is No. 10 doing and what is the Cabinet Office doing?

**Professor Sir Geoff Mulgan:** I think pretty much all the teams you just mentioned were based in the Cabinet Office, not in No. 10. I think their budget and their makeup was pretty transparent. Most of their recruitment was done through traditional open Civil Service procedures.

In a way, Scotland is an interesting example of a slightly different approach to leadership, with a much more integrated First Minister and central team. I would also say Scotland has good lessons to perhaps teach Westminster and Whitehall about how to embed a longer-term perspective so you do not get the vices of a No. 10 that is so hysterical and so responding to each hour's news that it loses sight of the long run. What Scotland did in terms of outcome objectives to guide Government in a cross-cutting way has been copied by many other Governments around the world, but hardly even noticed in Westminster and Whitehall, just as Wales's innovation in bringing in a future generations commissioner to try to represent the interests of future generations was copied or is being copied elsewhere, but not taken seriously in London.

I think there are definitely problems, but I would say all the units you described brought in new ability, new capability and genuine expertise, which made Government more efficient. They were pretty transparent and accountable in what they did, how they did it and how much they spent.

Q54 **Ronnie Cowan:** What does the No. 10 unit do? If all those units are Cabinet Office, what is No. 10 doing?

**Professor Sir Geoff Mulgan:** No. 10, partly for physical reasons, remains pretty small in numbers.

Q55 **Ronnie Cowan:** Sorry, do we know that? Is there a breakdown? What is there now in the Cabinet Office, 1,500? Is that the number I have seen? How many of those people are No. 10?

**Professor Sir Geoff Mulgan:** Others on this call would know, but I would guess it is not much more than 100 to 150, dramatically smaller than equivalents in say France, Germany or the US. I think there is a case, and I am sure you will come on to this, for creating some more clear-cut central capability in Government, again as the devolved Administrations and many other countries have done. In a sense, the key to me is more what is done than the actual precise division of labour and how many people are on one side of the baize door in No. 10 and who are on the other side of it. As many have said, the big problem over the last few years has been lack of the key capabilities and knowledge you need to make good decisions in the public interest.



## HOUSE OF COMMONS

**Q56** **Ronnie Cowan:** I am all for policy being based on evidence. I am all for expert advice. I absolutely am. I am just concerned that within this we have a hidden Department and we do not know what it is doing. It is rumours and speculation, which is not healthy for anybody. I would like somebody to be able to say, "That is this person's job, this is what they are doing, this is who they are accountable to". Behind Dominic's comments, we do not really get that. We get the idea—and someone could tell me I am wrong here—that a campaigning machine has been built along the same lines as the Vote Leave campaign, something that is gathering people's information off Facebook, the internet or social media and that is going to be targeted in campaigns. I am not sure how that builds better policy, which is the role of the Cabinet Office.

**Professor Sir Geoff Mulgan:** I would certainly agree it is good to be transparent and it is good to be accountable. I don't have a clear picture of who does what at the moment in No. 10 and I don't have a clear picture of what their plans are either. That is one of the slightly strange things in 2020. There is lots of smoke and mirrors and talk and briefing to the media but nothing resembling a clear plan for how to rebuild the centre of Government to better serve the long-term needs of the country.

**Ronnie Cowan:** Thanks. Fiona, do you want to come in?

**Fiona Hill:** Yes. I will not get into the Government of today or Dominic Cummings or whatever. I don't think that is relevant—

**Ronnie Cowan:** Please do.

**Fiona Hill:** —when we are trying to get down to the bottom of how we make Government work better for us all. To try to explain what No. 10 is in a more visual way, if you think of a multinational company, you have the chief executive's office. That is the Prime Minister's Office. Then you have various functions underneath that and it is for the chief executive's office to then task various functions, and for various functions to then highlight things that need to be highlighted to the chief executive to set about an overall strategy set by the chief executive. In terms of headcount in No. 10 it is very small, very small indeed.

**Q57** **Ronnie Cowan:** How small?

**Fiona Hill:** I am trying to rack it up in my head. If you think about each Department, there will be a policy person for that Department and then there will be a Civil Service person for that Department, so that is two per Department. Then you have a press office of around 20 or 30. You have a Private Office of six or seven and then you have the policy unit, but that takes in the two people man-marking the Department. It is not big, but it does not need to be big because the point is next door is the Cabinet Office. As Geoff said, that is where these specialised units are often based.

These specialised units have changed and morphed into different things over the years. If you think about policy in very strict terms between threat and response, these things that have sprung up from time to time have basically just been a response to a threat, whether it is homelessness or high levels of antisocial behaviour. The Labour Government used Louise



## HOUSE OF COMMONS

Casey, who is brilliant and did great work. Sometimes there is just a need, but looking at No. 10 itself—and I don't know if Jonathan wants to jump in here—I always viewed it as a chief executive office that did not have to be terribly big but knew how to task.

**Jonathan Powell:** I agree with you about the lack of transparency, but for me the way to think about it was that No. 10 needed to be a gearstick. It was something that should be quite small, responsive to the Prime Minister, and issue instructions that would then be followed up by the Cabinet Office, which was a gearing mechanism with the rest of the Government. That should be the division between the two functions.

If you had something like the delivery unit, which we created to make sure that Government initiatives were implemented, that did not need to be in Downing Street, although it needed to be dependent on the Prime Minister. The strategy unit that Geoff headed needed to be dependent on the Prime Minister to have the political weight within the Government, but it did not need to be in Downing Street. No. 10, in my view, should be relatively small and people who say, "The Prime Minister thinks" should know what he thinks, not be making it up.

Q58 **Ronnie Cowan:** When you are talking about the delivery unit, is it their job? Whose job is it to go to the Departments and help deliver the policy? How much is that Cabinet Office and how much is that No. 10?

**Jonathan Powell:** That is the critical element. Someone was saying earlier about trying to make policy without the Departments. You cannot possibly do that. Prime Ministers come in who have policy priorities they want to achieve, education or whatever it might be, but they are not going to be able to do it by themselves. They have to work with the Departments.

What you need is a winning coalition of people who are willing to try to do that. You need the Secretary of State. You need the Prime Minister. You need his education adviser. You need the Permanent Secretary in the Department and the person from the delivery unit. If you have those people working together, that can achieve the objective. You cannot do it by yourself.

Basically what happens, when we were there anyway, was that the green baize door separated No. 10 from the Cabinet Office and the people you crammed into Downing Street were the ones who worked in Downing Street and the others were the others. As I understand it, they are now in the process of removing the green baize door and expanding No. 10 into the Cabinet Office. I personally think that is a mistake.

Q59 **David Mundell:** Jonathan and Fiona, as the Prime Minister's chief of staff, what did your job entail? What was the balance between, for example, policy, media, negotiating with other Ministers and just dealing with the day-to-day issues in No. 10?

**Jonathan Powell:** I created the job. In fact, there had been a chief of staff briefly under Mrs Thatcher when she started, Lord Wolfson, but he did not last very long. The Civil Service saw him off in a matter of months, I



## HOUSE OF COMMONS

think. This creation was much more welcomed by the Civil Service when we came in, and the job essentially, as I said, was to try to bring together the different parts of No. 10. Not to try to do their jobs, not to try to be the press secretary or try to be the person doing policy, but to make sure the bits fitted together: the Civil Service bits, the political bits, the foreign policy bits, the domestic bits, the press bits, the policy bits. That was the objective, to try to make all of those work together and at the same time act as a trouble shooter, trying to deal with problems that inevitably come up in Government and trying to deal with the crises of the day.

That was the function we made. We looked at it a number of times to see if we could separate out bits of the job of chief of staff and I note it has been done in different ways subsequently. What I have noticed is that it is clearly a job that is going to remain—I don't think anyone is going to abolish it—and I notice that pretty much all Presidents and Prime Ministers around the world have one. It serves that function of co-ordinating so that the Prime Minister or President does not have to do it themselves.

**Q60 David Mundell:** On that, what do you think was the balance between being reactive and proactive? How much of your day did you deliver what you had intended at 8 am compared to where you were at 8 pm?

**Jonathan Powell:** My pattern was that I would go up while Tony was dressing, a bit like a royal court in 18th century France, and get my instructions for what he wanted during the day, then go down and meet the staff and try to get those ideas across and then meet them again in the evening to make sure we had made some progress on all of those ideas. My job was to try to make things happen within the organisation. It was proactive to that extent, although the ideas and accountability obviously were those of Tony. I also had a special subject of Northern Ireland, which took a remarkable amount of time.

**Q61 David Mundell:** You must have had to deal with events, so how did you balance the two?

**Jonathan Powell:** That is the trick of being at the centre of Government. You can become completely driven by events—"Events, dear boy, events" as Macmillan put it—and simply find yourself reacting all the time. The trick of being a successful Prime Minister is to not just be driven by events, to be proactive, to be driving that agenda forward. That is the point of a policy unit, a strategy unit and these other things. You are trying to move the agenda on all the time at the same time as managing the crises that come up.

A mistake I have noticed Prime Ministers make is they tend to have too many priorities. They try to do 10 or 12 different things and that simply is not possible in the time that a Prime Minister is going to be in office. You need to choose two, three or four and then you can be proactive on those and change those, but you need to focus on them. You need to have the time. You must not find yourself scheduled every half hour with a different crisis of the day. You have to keep your eye on what you are trying to change.



## HOUSE OF COMMONS

**David Mundell:** Fiona, what is your perspective on that?

**Fiona Hill:** It is not dissimilar to how Nick and I did the job. Obviously Nick and I were joint chiefs of staff.

Q62 **David Mundell:** How did that work? Had you agreed with the Prime Minister or between yourselves at the start how you would divvy up your respective responsibilities?

**Fiona Hill:** Before we went into No. 10, when we knew that Theresa had become leader, we spent almost an overnight with Jeremy Heywood and tried to flesh out how Nick and I would do this. We had already had a long and successful partnership at the Home Office and when we were at the Home Office we split everything. There wasn't what normally happens, what we might call this demarcation between policy special adviser and media special adviser. Nick and I had always done both.

When we went to No. 10, we sat with Jeremy and we basically ironed out how our functions would work. Overall, Theresa would set what she wanted to achieve that day, as Jonathan said that Tony Blair did, and then for the rest of the day, yes, we would try to make sure that we brought all those things together. In between that, it meant that Nick and I could almost split policies that we could become much more involved in or more knowledgeable in and that I think worked quite well for the time that we were there.

In terms of a more prosaic description of your day, you basically get in there quite early. You have your tasks from the Prime Minister and then, if an event does happen, it is the role of the chief of staff to make sure that every bit of information and every person who is responsible for that information is at the table with the Prime Minister to explain what has happened. For example, in a terror attack you would have all the heads of the agencies there and you would go through what has just happened and what we now need to do. It is the role of the chief of staff to do that.

The other role is slightly more international, where of course other Prime Ministers and Presidents have chiefs of staff. If there is a bit of business to be done, then two chiefs of staff from respective countries will speak to one another. You will say what your guy is willing to go with and they will explain what their quid pro quo will be. There is a slight layer underneath the Prime Ministers and the leaders where business sometimes can be done.

Then there is a very tedious function, which is just employing people, which seemed to land on me somehow. That took a lot of my time, negotiating salaries and doing interviews. It took way too much of my time, if I am honest, but no one else seemed to want to do it. It is an interesting role because it is so diverse.

Q63 **David Mundell:** You mentioned earlier—in your opening remarks, I think—that you had the huge issue of Brexit to deal with. Did you consciously try to balance Brexit and everything else to ensure that there was some space or oxygen for everything else?



## HOUSE OF COMMONS

**Fiona Hill:** One hundred per cent. Theresa was adamant, I was adamant, Nick was adamant that we would not allow Brexit or at least we would endeavour not to allow Brexit to take over everything because there were other things to think about. We set up a few taskforces and that can always concentrate the mind. I think that worked quite well and I know that previous Governments have done that.

The truth is, David, that Brexit was huge and we did not have any preparatory work to work from so we were starting from scratch in terms of getting all the submissions and the papers and so forth ready before we could even go over to Brussels to do any form of negotiation. I am sad to say it did take up an enormous amount of time. We also had a small majority, so we had to do quite a lot of work with Parliament in that process. I know my colleague, Nick, spoke a lot to John during that time on the expectation that people had around Brexit.

It was a difficult time in that there were so many things that I personally would have wanted to spend more time on, modern slavery being one of them, and disability policy. If I am honest, we were constantly being pulled in that Brexit direction and I think, sadly, for that period of time anyway between 2016 and 2017, it was probably quite unavoidable.

Q64 **David Mundell:** In that context, do you think just in organisational terms, Fiona, that you would have done anything differently if you were going through the door into No. 10 again at the point you did?

**Fiona Hill:** As you can imagine, David, there are numerous things that I would do differently. Looking back—and I have not spoken to Nick Timothy about this and he might disagree—I think there was an opportunity in being joint chiefs of staff that we could have exploited better, that being leaving Brexit to Nick because he really believed in it and he understood what needed to happen and leaving me to other things that were non-Brexit. Again, it is easy to say these things with hindsight. Nick is also passionate about education policy and so forth, and I am sure he would have not wanted to not be involved in that.

David, it is very difficult because, as I said, we walked into a house, into Downing Street, where the people who had not already left, the people who were left behind were exhausted and very depleted. It was very difficult to try to motivate people to realise that we still had to govern and we still had this important job on our hands. It was a very, very tough year, a very tough year.

Q65 **David Mundell:** I will come to Jonathan as well, but I will just continue with you, Fiona, on the issue of the relationship with the Cabinet Secretary and also the No. 10 Principal Private Secretary and the myriad other Private Secretaries, which I think sometimes people are not aware of. Until I became a Minister I was not aware that there was a Private Secretary, for example, in No. 10 responsible for relations with the Scotland Office. How did you find the relationship with those people? Did you find that they were supportive or that there were frictions or crossovers in what you thought your role was compared to what they thought their roles were?



## HOUSE OF COMMONS

**Fiona Hill:** I don't know what I would have done without Jeremy Heywood and a lot of the people in the Private Office. They were an enormous support at a very difficult time and they were excellent.

On the Scotland issue, David, I had not realised there was a policy person for Scotland for about two months when I was working in there either. Maybe for some Departments it is slightly different because there are slightly different nuances, but in terms of the Private Office that we had and certainly the Cabinet Secretary we had, my biggest compliment is I do not know what I would have done without any of them.

Q66 **David Mundell:** That appears, Jonathan, to have been your experience as well, from what you said previously.

**Jonathan Powell:** Yes, certainly the Private Secretaries were absolutely invaluable. I think for our first couple of Cabinet Secretaries there was probably a clash of generations to a certain extent. They were very old school and we were a new generation of people coming into Government. There was also a problem of expectations. Tony Blair had in mind that they would be dealing with the reform of the Civil Service, changing the way the Civil Service functioned, and they wanted to be involved in policy. That was a clash that was quite difficult to deal with. That changed when Andrew Turnbull came in and our last two Cabinet Secretaries were much more adapted to those expectations. Certainly the civil servants in No. 10 were absolutely crucial and being able to work smoothly with them, which we did, was fundamental.

Q67 **David Mundell:** One final question. Fiona touched on the role in relation to international relations. I should put on record that I do not fully share Professor Mulgan's rather rosy view of how the Scottish Government works.

What did you see as your role in terms of working with the devolved Administrations, in terms of it being part of your role to do some of the prediscussions, to iron out of some of the issues that arose between the devolved Administrations, the UK Government and No. 10?

**Jonathan Powell:** I did very little of that. Our first challenges obviously coming in were devolution and creating those devolved institutions. That was very much handled by Donald Dewar and Derry Irvine who, through the Cabinet Committee, set those up. Once they were set up, we had people with special knowledge of Scotland and Wales and they were the people inside our operation who managed those relations rather than me.

**David Mundell:** Fiona, obviously you were directly involved in some of those discussions because more issues perhaps than in Jonathan's time arose during your tenure.

**Fiona Hill:** Sorry, David, what is your specific question?

Q68 **David Mundell:** Do you think there is a role for the chief of staff in No. 10 to liaise with their equivalent within the devolved Administrations in the way that you set out you would liaise with the equivalent in Prime Minister's Offices around the world?



## HOUSE OF COMMONS

**Fiona Hill:** I would say in theory absolutely, but only if everyone knew not to play politics.

**David Mundell:** I understand that answer and thank you very much, both of you, for your answers.

**Chair:** Yes, but politics is sometimes inescapable, I feel, in this walk of life.

Q69

**Rachel Hopkins:** Talking of politics, I am interested to talk to Polly around the coalition and her time there, and whether civil servants—because they are non-partisan and are a source of advice—were seen more as the honest brokers in their role.

**Polly Mackenzie:** In large part, yes, but I think all civil servants struggled enormously to get their heads around the concept of coalition. An example was when we were trying to do the early implementation and announcements around the pupil premium, which was a policy that the coalition had adopted that had originated in the Liberal Democrat manifesto. There was huge tension around the Education Department's press office putting that into a press release with a quote from the then Liberal Democrat Education Minister, Sarah Teather, because she was not the schools Minister. It was too political to have a Liberal Democrat Minister announcing something, even though it was coalition policy and they were civil servants who supported the whole coalition. We struggled with those kinds of tensions.

Fiona may remember that very early in the coalition Theresa May gave a speech setting out her approach to immigration, in which she included her stated goal that immigration should be kept to the tens of thousands. We had, during the coalition negotiations, explicitly decided that was not going to be a Government commitment. Therefore we then ended up with this deeply unsatisfactory position whereby it was the Home Secretary's personal goal and the Conservative party's personal goal. That then created tension because of course Home Office civil servants are essentially constitutionally mandated to follow directions of the Home Secretary. The Home Secretary even has certain constitutional powers written into legislation around exclusion orders for people we want to keep out of the country. The idea that the Home Secretary, as dictated by law, should be able to have that power, the idea that you should then bring another party into the process for deciding that constitutional power, again felt deeply uncomfortable.

As I mentioned, we tried to push for protocols as adopted in Scotland under the early Liberal Democrat-Labour coalition for how you would share information and facts between Departments. That detailed written protocol was excised dramatically with a red pen by Jeremy because he took the view, probably rightly in the interests of the Prime Minister, that having everything written down was only going to cause problems later in shifting the megalith of the civil servants, where they are supposed to follow their Secretary of State and they are supposed to follow the Prime Minister, to recognise this constitutional anomaly not mentioned in a Cabinet manual around what is the role of a Liberal Democrat Minister in a Department or



## HOUSE OF COMMONS

a Conservative Minister in a Liberal Democrat-led Department and what is the role of the Deputy Prime Minister.

It may be that we will not have another coalition in my lifetime and so we can put those to bed as interesting historical anomalies, but the reality is they were never resolved satisfactorily. If there were to be another coalition I think it would be essential that they were.

**Q70 Navendu Mishra:** If I could go to Fiona with this question, please. In your time at No. 10 I think it would be fair to say that the Prime Minister faced a divided Cabinet with not all members supporting her decisions. How do you think that affected your role as the chief of staff to the Prime Minister and how far were the civil servants in No. 10 relied on as a source of neutral or unbiased advice to the whole of the Cabinet?

**Fiona Hill:** It certainly made it busier. Certainly Theresa tried to have Cabinet Ministers in to No. 10 to have a discussion about whichever issue they were having. I am not sure that was so different in the time that I was there. I think that probably does happen a lot. However, clearly during my time, as you said, things were quite divided so that happened frequently.

In terms of the civil servants, that is where the Permanent Secretary's Office often came in handy. A Permanent Secretary from a Department would come in with a Cabinet Minister and they were often very, very good at being able to explain that both sides were arguing the same point, which often happens. Therefore I would say, yes, the Civil Service was important to that.

In terms of bringing the Cabinet around ideas and decisions, like any Government, one has to work quite hard at bringing people with you. Again, in the context of where we were in 2016, that was always quite challenging.

**Q71 Navendu Mishra:** It would be fair to say that the divided Cabinet put a lot more pressure on your role as chief of staff than would have been otherwise, if the political situation was slightly different?

**Fiona Hill:** It is difficult to say because I do not have anything to benchmark with. I did not have a year before Brexit, for example, so I could not say that with my hand on heart. The whole of Brexit—whether it was taking Cabinet with you or whether it was getting the papers ready or finding your starting point for negotiations—was difficult and all of it was time consuming.

**Q72 Tom Randall:** Jonathan Powell, you and Alastair Campbell were given the authority to instruct civil servants. Do you think that was a necessary or desirable power to have and what was the thinking behind it when you were given that power?

**Jonathan Powell:** It became quite controversial at the time—the fact that the Order in Council gave powers to three special advisers to do this. We never found a third special adviser to put into a slot. Interestingly, Robin Butler, the Cabinet Secretary at the time, has since admitted it was a



## HOUSE OF COMMONS

mistake, it was entirely unnecessary. Previous special advisers—Sarah Hogg, as head of the policy unit, for example, spent her time telling civil servants what to do; it had been going on since the 1960s, so it was an unnecessary step. He blamed it on an excess of tidy mindedness of civil servants in the Cabinet Office who brought it in. I must say it never made any difference at all to what we did or did not do. I think it was just a little blip in history that does not have much significance beyond that.

**Q73 Tom Randall:** Fiona Hill, did you manage to, if not formally instruct civil servants, make sure you got your way without that authority or that power?

**Fiona Hill:** In truth, when I became a special adviser, that nuance—if you want to call it a nuance—was not described to me. It was never clear to me how I was allowed to instruct or to task. In reality, if your Secretary of State says, “I want X, Y and Z to be achieved by 6 pm tonight” you leave her or his office and go to speak to the relevant civil servants. How do we define “instruct”? I would say, “The Secretary of State wants X, Y, Z. Can you make that happen?” Is that instructing or is that asking or tasking? I do not know.

**Q74 Tom Randall:** That is interesting. Going back to your experience, Sir John, in Mrs Thatcher’s Downing Street, you were talking earlier about how Mrs Thatcher was very keen on propriety and proper dividing lines. How was the relationship there between advisers and civil servants and was there instruction going on?

**Sir John Redwood:** We were all civil servants. Yes, civil servants reported to me. The policy unit members were all civil servants and often were career civil servants. I tasked them, I reviewed their performance and I was part of the performance review system of the full Civil Service and responsible for their welfare. I think that worked very well.

It was a much smaller No. 10 than the ones we have been hearing about from others. The 10 policy unit people was the biggest group. There was a handful of people doing press under Bernard Ingham within the No. 10 building itself; it had not spread out into the rest of Downing Street. There were rather fewer Private Secretaries but very talented people. Two of them went on, I think, to become Cabinet Secretaries. We were all united by wishing to work for Mrs Thatcher.

Yes, through the Private Secretary letters, instructions were sent out to the rest of Whitehall, but they were done in the name of the Prime Minister by the Private Secretaries. They may have begun as policy unit recommendations but everything we did was done on behalf of and in the name of the Prime Minister. When Cabinet Ministers or senior officials wanted to talk to me, I was very clear that I was only worth talking to if I knew the mind of the Prime Minister. I met the Prime Minister most days of the week. I was very close to her and gave her a lot of advice daily on the subjects that were before her. It was my job to know her mind and then there was no need to instruct anybody.

**Q75 Jackie Doyle-Price:** Sir John, it has been very interesting hearing the



## HOUSE OF COMMONS

evidence of each of the panellists because I have always had this view that organisations are creatures of the leadership of the person at the top. I was very struck by what Polly said about the machismo in the Cameron era and we have heard about a more functional and managerial approach under Tony Blair. You have articulated a description of a No. 10 policy unit that was very confident and therefore happy to be small, which very much chimes with how we view each of these styles of leadership.

I am interested to know what you think about how No. 10 looks now compared with when you were there. You have articulated very well how you very much saw yourself as a civil servant but we almost see that over time, as the unit has changed, it is becoming increasingly political. I would like you to share your observations about how things are looking at No. 10 now, particularly the enlargement and encroachment into the Cabinet Office.

**Sir John Redwood:** I was asked, when Fiona and Nick first arrived to help Theresa May, how it had worked when I was a player at No. 10. I explained it all to them in a bit more detail than I have been able to do today. However, I did go on to say, "Every Prime Minister is different and you must serve your lady in the way that she wishes to be served", just as I served my lady in the way that I thought was appropriate and she normally agreed. We had our private disagreements about some big policies from time to time but they were entirely private and she made the decision. That worked for me and for Margaret and we achieved quite a lot of what we set out to achieve.

I have not been asked to give advice to Boris Johnson on how he should best organise his office. However, if I were asked to do so I would give the same advice. I would say that those advising Boris need to know what his needs are, what he is trying to achieve and what he thinks is his role as Prime Minister—because different Prime Ministers define the role in different ways and they need different people to help them define and develop the role—and then the rest will follow from that. I do not wish to intrude on how they have currently organised No. 10 and I do not think I have a clear enough view of all the people there and what they do at the moment.

Q76 **Jackie Doyle-Price:** There is another element to that question. Historically the Prime Minister has always been first among equals in a collective Cabinet and arguably leadership has become increasingly presidential, which in itself generates a different set of demands on the organisation around the Prime Minister. How do you see that from your experience? Again, it comes back to the style of individual Prime Ministers. Are we seeing a morphing of the role or is that also a function of that individual leadership?

**Sir John Redwood:** I think it relates to the individual leadership. After all, the late Lord Hailsham wrote a book called "The Elected Monarch" about the prime ministership many years ago now, so there were already considerable aspects of a presidential nature in a Prime Minister. The Prime Minister is the country's principal representative politically abroad and has



## HOUSE OF COMMONS

to handle all the difficult meetings on behalf of the country. Obviously the Queen is the embodiment of the nation above politics.

The Prime Minister, particularly a powerful and successful Prime Minister, does find more and more decisions gravitate towards them as more and more people wish to lobby. Therefore managing the Prime Minister's diary is the No. 1 issue and you need good Diary Secretaries. However, it cannot just be done by the Diary Secretary, it has to be done by the senior advisers to the Prime Minister in conjunction with the Prime Minister as prime ministerial time is absolutely critical, it is a very rare commodity and it must not be abused or spent foolishly.

I think what we have is the ability of the prime ministership to be a great pulpit on the world stage, as well as on the domestic stage, and wise Prime Ministers use it selectively and effectively. Unsuccessful Prime Ministers do too much badly, they get dragged into using their name for all sorts of minor or losing causes and if they do too many of those, eventually their party will remove them.

**Q77 Jackie Doyle-Price:** Yes, good leadership does require being able to decide what is worth attention and what is not.

That brings me to Jonathan Powell. You have described, Jonathan, a style of leadership that I characterise as functional and managerial. I think in Tony Blair there is a similar kind of self-confidence that we saw with Margaret Thatcher, except he was more able to delegate rather than give instruction. To what extent do you think there are institutional constraints about how Prime Ministers can bring their own style of leadership?

**Jonathan Powell:** I think I agree with John Redwood that it is very much a question of how strong the Prime Minister is and that tends to be a function of how they have done in the election. If you come in with a landslide you are stronger than if you are hanging on to a very small majority or do not have a majority at all, so you are able to do more of what you want. However, in the end your power is a job of persuasion. You have no civil servants to speak of, you have almost no budget to speak of by comparison with big Departments and all you can do is persuade Cabinet Ministers who have the statutory powers to come along with you. It is in the end a job of persuasion, but you are much more able to do that if you are a strong Prime Minister rather than a weak one. We tend to go through cycles of strong and weak Prime Ministers over time.

If I could address the first question you put to John Redwood, I obviously do not know what exactly is happening in No. 10 Downing Street and the Cabinet Office now, but if I look at it, I think they have made a mistake, which we made in a small way, but they have made in a big way. When we first came in in 1997, we brought in a small team of people who had worked together for a long time in Opposition, who almost did not need to speak to each other to understand what they wanted. We were almost running a parallel system of government inside No. 10 Downing Street. Tony Blair complained to me after, I do not know, nearly a year and said the machinery of government felt like a Rolls-Royce outside the front door that



## HOUSE OF COMMONS

he was not allowed to drive. We had to then integrate properly into the machinery of government.

If I look at what is happening, if you take a team from a campaign, from the Leave UK team, and just put it into Downing Street and then add it to running the rest of the Government through special advisers in the Departments, it will not function because you are trying to run a parallel system to the system run by the civil servants. It will simply end up in a series of car crashes. I think it is important to understand that campaigning and governing are very different things and you need different skills, different people, to do the two things.

**Q78 Jackie Doyle-Price:** That is a very astute observation and I think one that many would share. When you arrived in No. 10 in 1997 was there an air of contempt towards the Whitehall machine, which we have seen articulated by some of the people in No. 10?

**Jonathan Powell:** No. On the contrary, Labour had been out of power for 18 years. This was a big transition. I was struck by the willingness in the Civil Service to make that transition and Robin Butler deserves great credit, having been Private Secretary and Cabinet Secretary to Mrs Thatcher, to then manage this transition. I found nearly all civil servants looking for a change and enjoying the chance to work in a new way. Nor did I see contempt on the part of the Labour politicians coming in to manage it. There was maybe some fear for some of them who had never been in Government and did not quite know how the machinery worked and maybe suspicion that they would all turn out to be Tories, which was dispelled quite quickly, but not contempt, no.

**Q79 Jackie Doyle-Price:** That is also a style of leadership as well, is it not? If you have self-confidence in being able to lead a team you are not going to be intimidated by taking on a different culture in the same way.

**Jonathan Powell:** It is also a belief in the system that we have, where you have, for very good reasons, an independent Civil Service and political appointees and you need to keep that distinction. When you start messing with that distinction you get into trouble, in my view.

**Q80 Jackie Doyle-Price:** You also mentioned in your earlier comments that you thought that the movement of the No. 10 Private Office into the Cabinet Office was a mistake. Could you elaborate on that?

**Jonathan Powell:** There is a problem in the British system of patronage, that we have to have legal limits on the number of Ministers or Prime Ministers would simply appoint all their MPs as Ministers to keep them happy and keep them voting with them. The same thing is true in No. 10: to stop No. 10 growing like Topsy you need to keep it in physical constraints. We had people working in bathrooms but we would not allow them to be outside the building. Once you knock that green baize door down and expand into the Cabinet Office, what is to stop you going the whole way down Whitehall, into Admiralty Building and all the rest of it?



## HOUSE OF COMMONS

I do think it is important to try to keep No. 10 small. It was not as small as in John's days, but it was small and focused on the Prime Minister. The articulation with the rest of Government is the responsibility of a different body.

Q81 **Jackie Doyle-Price:** Would you say there is a greater risk that it could be more presidential than prime ministerial?

**Jonathan Powell:** I am not worried about being presidential, I am worried about being overly centralised. The system will not work if you centralise everything in one person and one place; it has to be able to respond locally. The strange thing is the rhetoric about making it respond at a local level, respond at a lower level, but instead centralising all decisions in the middle. It is a terrible mistake.

Q82 **Ronnie Cowan:** I will again start with Geoff. If anyone else wants to jump in, then please do. Members of the current Government have been quite critical of the Civil Service. They say it lacks expertise, is risk averse and its preference is the status quo and they have sought to strengthen No. 10 in response. Do you agree with the criticisms and is strengthening No. 10 the right reaction?

**Professor Sir Geoff Mulgan:** Some of the diagnosis of what the Civil Service needs in terms of all sorts of specialised expertise on everything from procurement and data to implementation, to understanding the front-line, has been made for 50 years. I think they have significant validity and it is correct for Government to have a way of bringing in those new skills and mindsets. What that means for No. 10 is not so clear. My fear is political appointments are being made that do not necessarily bring in the expertise, mindsets and experience that is needed.

Can I raise one other issue that I think is absolutely vital but has not been mentioned yet? Some of these issues are all about the personality and political position of a Prime Minister, but some are structural. This year we have seen again a crucial structural missing part of the machinery at the centre of Government, which is the ability to connect with localities. That is not just with devolved Administrations, for which there is some machinery, but it has not worked that well, but compared with other countries we completely lack good ways of co-ordinating with the big local authorities, with cities, sharing data, sharing knowledge and having co-ordinated plans, not just on Covid but on transport, regeneration and the economy. This is a crucial gap. I think it can be solved more through the Cabinet Office probably than No. 10, but it has to be both political and official because many of those negotiations are deeply political in nature.

I would urge this Committee to address that as one of the missing bits of the machinery because, going back to Ronnie's question, one of the crucial problems with any centre of Government is it just loses touch with reality on the ground. It becomes convinced by its own press releases, its own bubble and its own London mentality. There are some structural answers to that as well as people, skills and mindset answers.

**Ronnie Cowan:** Does any other witness want to add to that, to augment



## HOUSE OF COMMONS

that or to disagree with that?

**Polly Mackenzie:** A tiny story. I remember early on, Steve Hilton had written a speech for the Prime Minister about the big society and its implementation in business. The Prime Minister gave a speech and he made a set of commitments about what would happen. It was then a couple of months later—I shared an office with him, so I witnessed the direct moment—when Steve discovered that nothing had happened as a result of the speech. While Steve and Dominic are in some ways very different, they share, I guess, an inability to think about quite how detailed and quite how complex these organisations are with tens of thousands of people working within the public sector.

The best piece of advice I was given very early on was, “There may be only 15 people within this office”—the Deputy Prime Minister’s Office—“but if you get this right, you can influence 10,000 civil servants working on policy or hundreds of thousands working on implementation and delivery”. That is the magic. I think so often, as has been said, those whose experience is to do with campaigning and to do with running very tight ships of very small organisations of perhaps up to 100 people do not transfer easily to the extraordinary and impossible complexity of running, co-ordinating and providing leadership to a system of Government. It requires different skills and you have to counteract your urge to bring more and more decisions in to yourself, which creates the illusion that you are in control but puts so much burden on you that you become unable to deliver on those ambitions.

Q83 **Chair:** I wonder if I could round off our proceedings this morning by going to each of our panellists and asking them to very quickly list what functions need to be carried out by No. 10 to ensure good governance, then if they could at the end of that answer say if they believe there should be a Department of the Prime Minister with a yes or no. What are the key functions needed to ensure good government from No. 10 and should there be a Department of the Prime Minister, yes or no?

**Fiona Hill:** The direct question, should there be a Department of the Prime Minister, I do not understand how that would look or how it would necessarily function. Do you have a sense yourself of what you mean by that?

Q84 **Chair:** I think it refers to the age-old debate of whether it should be any longer a Department of the Cabinet Office or be more freestanding in terms of constitutional position.

**Fiona Hill:** Of course it used to have its own Permanent Secretary. I guess in itself having a Permanent Secretary makes it a Department. Then that changed and the Cabinet Secretary effectively had overview of Downing Street. I do not personally feel that having a Permanent Secretary in Downing Street would enhance anything. If we want to improve Downing Street it is probably by understanding, first, the agenda of the Prime Minister, secondly, the modern context with which it is currently trying to meet certain demands, and thirdly ensuring—I hate that word “ensuring”—going out to find people who are very good at their job and can work in a team setting. That is always a big challenge and I think that is a point that



## HOUSE OF COMMONS

has come out here for me today, the difference between being a campaigner and being someone who does government.

I never enjoyed campaigning. I hate campaigning, I very much enjoyed government. I do not know if it is absolutely a hard and fast rule that one person cannot do both, but certainly if the argument is that is better to have people who know how to pull the levers of government in Government then that probably the side I would err on.

In terms of how we make No. 10 more efficient—where more efficient I guess means being able to bring Whitehall, different Departments, and of course local Mayors as well and devolved Governments with them—I do like Geoff's idea of having something in the Cabinet Office that has responsibility for speaking to Mayors and devolved Governments. I think we have seen that quite critically during the Covid crisis. Covid has probably highlighted quite a number of functional issues, not just in No. 10 in general, but I think across the Whitehall piece.

**Chair:** Thank you very much indeed. The same set of questions to Polly Mackenzie, please.

**Polly Mackenzie:** The Prime Minister's role as a leader, which has been described as the elected monarch, means they have to provide strategic leadership to the Government, to public services and to the nation. A crucial part of that is them having a team around them that is small enough that every individual in it can develop a personal relationship of some sort with the Prime Minister in order to, as John Redwood compellingly said, know the Prime Minister's mind. For a Prime Minister to be able to set an agenda, to be understood and then to be able to have somebody who they can trust to look at the detail, to advise them and then to co-ordinate with Cabinet Ministers and with Departments in order to make sure that the Prime Minister's strategic influence is embodied throughout the Government, it does need to be relatively small.

I totally agree with Geoff that bringing in those wider strategic functions such as cross-cutting initiatives, operational support, innovation support—it has had a bad rap through the coronavirus crisis, but innovation is like the behavioural insights team, supporting Departments to develop new strategic ways of approaching policy—sits more appropriately in the Cabinet Office. However, there has to be that relationship of trust, for the Prime Minister to know that the people around them are part of a team, not just a team that was good at campaigning, but a team that is good at government.

We have to recognise how extraordinarily difficult that role of Prime Minister is. If you cannot have the people you choose around you to deliver on your priorities, to provide you with personal and practical support, you will fail at trying to provide the strategic leadership that the role requires.

**Chair:** Thank you very much. To Geoff Mulgan, please, those key functions to ensure good government and a Department, yes or no.



## HOUSE OF COMMONS

**Professor Sir Geoff Mulgan:** About five years ago, I published a rather detailed answer to your question with the title “Rewiring the brain”, which was the hope that there was a brain at the centre of Government, which is not always the case. There are these functions like political management, communications, ensuring your policies are being implemented, strategy formulation and finance allocation that have to have some home in the centre, but you do not want all of them in No. 10. There has to be a division of labour between a Prime Minister’s team, a Cabinet Office, a Treasury and also a Foreign Office in terms of ensuring coherence and co-ordination. Whether that ends up being a Department of the Prime Minister, Department of Prime Minister and Cabinet like Australia, or a classic No. 10 I think matters less than that each of those functions is done well, with very good expertise and with the sharing of data, knowledge, people and working together to ensure coherence.

I have never been that excited by the question of whether there should or should not be a Department of the Prime Minister. I think that is almost second order to doing the tasks well.

**Chair:** Thank you very much for that. Jonathan Powell, your reflections, please.

**Jonathan Powell:** On the functions, I think they are the same functions as any other centre of Government has. Policy, politics, private office, media, scheduling, foreign policy in Europe all need to be manifested in some way in the centre of Government for the leader.

One of the classic problems of our political system—not just ours—is the failure to be long term and do long-term planning. Therefore I think what you also need is a strategy function. It does not need to be in Downing Street but it needs to be connected to the Prime Minister in some way, which is what Geoff did so ably. The other is delivery, where having something that makes sure something happens on the ground rather than just hoping it happens on the ground. Again, it does not need to be in Downing Street, but that is the function.

We looked twice in our time at creating a Department of the Prime Minister. I can make the argument for it, but on reflection and looking around the world at other things, I think it would be a mistake in our system to have a large, cumbersome, heavily-staffed centre of Government. I think there are diminishing returns from that.

We also looked twice at bringing the public spending functions out of the Treasury and putting them into the Cabinet Office with the personnel. You would have something like in Washington, the Office of Management and Budget, so you have the spending and the personnel together, which means your priorities are all going in the same direction. Again, you can make a case for it, but it is quite a disruptive thing to do to a system of government and I am not sure Gordon Brown would have looked kindly on our attempts to do it anyway.

**Chair:** Thank you very much. I think we have lost Sir John Redwood due



## HOUSE OF COMMONS

to technology, but we will ask him to write with his reflections on that question. Indeed, any of the panel, if you wish to write to us with further details, you are more than welcome. On behalf of the Committee, I thank you all for your time and your thoughts this morning. It has been invaluable to our inquiry and I am very grateful indeed.