



HOUSE OF LORDS

Common Frameworks Scrutiny Committee

Corrected oral evidence: Post-Brexit common
frameworks

Tuesday 8 June 2021

10.30 am

Watch the meeting

Members present: Baroness Andrews (The Chair); Lord Bruce of Bennachie; Baroness Crawley; Lord Foulkes of Cumnock; Lord Garnier; Lord Hope of Craighead; Lord McInnes of Kilwinning; Lord Murphy of Torfaen; Baroness Randerson; Baroness Redfern; Baroness Ritchie of Downpatrick; Lord Thomas of Cwmgiedd.

Evidence Session No. 10

Virtual Proceeding

Questions 117 - 125

Witness

[I](#): Lord Dunlop, Member, Constitution Committee.

Examination of witness

Lord Dunlop.

Q117 **The Chair:** Good morning, colleagues, and welcome to the 10th public oral evidence session of the Common Frameworks Scrutiny Committee. This is a live broadcast.

We are absolutely delighted this morning that we are again able to discuss with Lord Dunlop common frameworks in the wider context of the union of the UK. Lord Dunlop has kindly made his time available to us again. Lord Dunlop, thank you very much indeed for coming once again.

Since we saw you last, there has been a frenzy of activity. Your report has been published, the Government's response has been published, the IGR update has been published, our report has been published, and, this week, we have had the Government's response to that. It is very timely that we can collectively have a conversation this morning about how, together, we have perceived some of the issues to do with where the union stands, particularly in relation to the contribution that common frameworks can make.

I will start with an obvious question, and my colleagues will pursue it in different directions, as you can imagine. Given that the evidence that we set out in our report showed a collective discontent across three countries of the UK—Scotland, Wales and Northern Ireland—that intergovernmental relations were simply not very good at the moment, what is your current assessment? What sort of snapshot of the relationship would you give at the moment?

Lord Dunlop: First, Baroness Andrews, thanks for inviting me to give evidence before the committee, and for the interest that the committee has taken in my report.

On your question, the way I would describe it is very much as work in progress. More recently, we have perhaps seen some encouraging signs that we may be entering a more constructive phase of intergovernmental relations. The fact that we have got elections out of the way helps that.

The Prime Minister was absolutely right, immediately after those elections, to reach out to the devolved leaders and invite them to a meeting to discuss how we recover from the pandemic in both health and economic terms. That builds on other developments. The work on common frameworks has been constructive and has been taken forward. There has been progress on coming forward with a package of reform for intergovernmental relations.

All of those things are positive. The test for me will be how that translates into a whole series of issues that are coming up and that are of critical importance. When we were debating the UKIM Bill, we talked about the subsidy regime, all the negotiations around the fiscal framework, the governance of pan-UK funds and the exemptions or exclusions that might be applied where common frameworks are agreed. There is a big agenda

of issues, and the test will be whether that new tone and spirit is carried through when we come to those issues.

Finally, we have to be realistic about intergovernmental relations. They will never resolve fundamental political or constitutional differences. What we can expect are stronger working relationships, based on improved trust and confidence, and that is what I hope we will see over the coming months.

The Chair: Do you detect any sense of urgency that things need to be resolved as you have suggested, or as whatever the Government finally come forward with in the IGR progress update report? Do you think there is a sense of timeliness and urgency now?

Lord Dunlop: Yes, I think there is. The people I talk to at both official and ministerial level recognise the need to put relations on a firmer footing, and the test will be whether we see progress over the coming months. I hope we do.

Q118 **Lord Garnier:** Thank you, Lord Dunlop, for coming to see us again.

Your report was completed in autumn 2019, yet the Government did not publish their response until March 2021, by which time there had been profound changes to the politics of the United Kingdom as a whole and, of course, to that of its four constituent parts, and pretty well in the rest of the world too. On top of that, we have had the Covid-19 pandemic.

Do you share my view that the union of the United Kingdom has received scant or only superficial attention, and that only recently, from the Government? Are you persuaded by the political response from the Westminster Government to your report or by their response to this committee's first report, and that they come anywhere near meeting the seriousness of the issues you and we wrote about, or am I just being naive and unrealistic?

Lord Dunlop: I think the jury is out. We have seen some good words, but actions speak louder than words. As I say, over the coming months, we need to see whether the change in tone that I have detected is carried through in the way the Government act.

It is not just the Government; this is a two-way street. I have called for a co-operative union, and it takes two sides to co-operate. We need to put at the forefront of our minds the citizens across the United Kingdom, who have been through a tremendous collective ordeal. What do they expect from their Governments? They expect their Governments to work together to produce better outcomes for them. That gives me optimism that we will see this taken seriously.

As I say, the Prime Minister's active involvement is a good sign of that. We had the Cabinet Secretary before the Constitution Committee, and we were pressing him on similar issues. He made it absolutely clear that he expects the Prime Minister to be front and centre in the efforts to put the union at the forefront of government consideration.

Q119 Lord McInnes of Kilwinning: Good morning, Lord Dunlop. It is three months since your report was published, at the same time as the update on the intergovernmental review. I noticed that, when you gave evidence to the Commons committee, you were complimentary about the principles of the intergovernmental review and its reflection of much of your report. I wondered how you felt progress has followed on and, looking forward to the final completion of the review, how you think progress can continue to move on at pace.

Lord Dunlop: I am on record as saying that it is a good draft package, which I think builds on and aligns with the recommendations I made in my own report. I particularly welcome the commitments to greater transparency and scrutiny, because I think the key is encouraging the right behaviours. I think the new intergovernmental relations quarterly report is a good innovation.

There are elements of the draft package that are still in square brackets. My view of those remaining gaps is that there are no showstoppers. I do not see any reason why the review and the conclusions cannot be completed quickly.

If I could touch on areas of concern, the first I would mention is that, under the proposals, the Prime Minister seems to have a very limited role. In my view, that needs revisiting. One annual meeting, which might be delegated to somebody else, seems inadequate, I would say, because this is all about building relationships, and that takes time and effort. It is for the Prime Minister to set an example to the rest of government. For me, it will be a test of seriousness as to whether the Prime Minister's role is enhanced.

On some of the other issues, there seems to be disagreement over what to call the new council, which seems a silly thing to get tripped up on. I have written elsewhere that the more clunkily contrived the title of the council, the more likely the media are to use their own shorthand. I do not think we should detain ourselves with that.

On other issues, should there be an inter-ministerial group that involves the Foreign Office? I think there should be. I know foreign policy is reserved, but surely it will help both sides to be informed of foreign policy issues. The final area in square brackets is to do with the finance inter-ministerial group. It is fine to have a separate finance inter-ministerial group, provided that group follows the same processes, including dispute resolution, that apply to the rest of the process that has been set out.

I think there are some gaps, but they should be resolvable very easily, in my view. There is no reason why that package could not be agreed before the summer recess.

Q120 Lord Foulkes of Cumnock: Good morning, Andrew. I am not as optimistic as you are about its entering a more constructive phase. After that last meeting, there was a war of words, again, between Sturgeon and Johnson, but never mind; we can leave that for another day.

Where do you feel there are still gaps? What is missing from the review? Are there things that you have recommended that have not been picked up, but that are important? What is going to happen to press that they should be picked up?

Lord Dunlop: My main approach to intergovernmental relations is to change them from a very defensive activity where everybody puts on their hard hat, grins and bears it and tries to get through, minimising the chance of fallout. I want the whole atmosphere around intergovernmental relations to change, to make a much more proactive agenda that looks at where there are issues of common interest—and there are many—where the powers of the UK Government and the devolved Governments intersect, and it makes sense to work together, whether it comes to the productivity challenge, how to address climate change or tackling drug abuse. Those are all areas that would benefit from a common approach and working together.

You mentioned that you are not optimistic about the future of intergovernmental relations, and I can see why you might think that. I am by nature an optimist, not just hoping for the best but actually taking action to encourage people to work together. My biggest disappointment is that, in my report, I linked a more proactive agenda of intergovernmental relations with how the Government use their new spending powers. I think we need to create what I call co-operation funds that provide incentives for each of the Administrations to work together.

My own experience as a Minister was on city and growth deals. That has been a fantastic model, despite the political differences, where the UK Government have come together with the devolved Governments to pursue a very positive agenda that will make a real difference on the ground in Scotland, Wales and Northern Ireland.

I want the Government to be more ambitious in how they think about promoting co-operation, and not just to hope for the best.

Lord Foulkes of Cumnock: Going back to your recommendations, the first was “a new senior Cabinet position ... formally recognised within the machinery of government” responsible for the constitutional integrity of the United Kingdom. Who is doing that job?

Lord Dunlop: I think Michael Gove is doing that job at the moment, but—

Lord Foulkes of Cumnock: But that is on top of all the other things that he is doing. He does not have specific responsibility for that.

Lord Dunlop: I totally agree with you. That is where I have a difference with the Government’s response so far. My view is very clear. The Prime Minister is the Minister for the union. The Prime Minister is also First Lord of the Treasury, but that does not mean that he does not have a Chancellor of the Exchequer to support him. If the union is the priority that we all think it is, it seems absolutely common sense to recognise that by having a full-time Cabinet Minister for the union.

In my report, I rejected the idea that you should have a separate department for the union, because I think we need a Government for the union. Every department needs to have that at the forefront. Until we get to that steady state and until we have achieved that culture change, you need a specific Cabinet Minister to drive change within Whitehall and within the Government to make sure that every department is up to the mark on this agenda.

Lord Foulkes of Cumnock: Are there any other of your recommendations that you feel they have not picked up sufficiently effectively?

Lord Dunlop: The spending, and the one you have mentioned would be the two that I would highlight.

Lord Foulkes of Cumnock: That is having a fund for projects jointly with the devolved Administrations.

Lord Dunlop: Yes. We debated this, and Lord Thomas was very much to the fore on it during the UKIM Bill. It makes more sense. The way I would see it is that having two parallel tracks of spending that never meet is a suboptimal outcome. It is one plus one making less than two, whereas what we should be looking to achieve is one plus one making three. That recognises the practicality. If you are trying to upgrade the road to Stranraer or the A1 north of Berwick, you have to co-operate with the Scottish Government and their agencies, which have the delivery arms to pursue that.

Lord Foulkes of Cumnock: Good. There is another question about territorial offices, but Paul will raise that later, so I will leave it. Thank you very much, Andrew.

Q121 **Lord Bruce of Bennachie:** It is good to see you again this morning, Andrew, on your report and the progress on it. You said earlier that it is partly about personalities and politics, and you cannot take the politics out of it. You recommended specific institutional arrangements to try to make the devolution settlement and the interaction between the component parts better, with a dedicated Cabinet Minister and proper support for that.

Perhaps I could pursue that. We have seen personality being brought in again. This week, the Duke and Duchess of Cambridge were apparently put forward as active proponents of the union—I do not know how helpful or otherwise that would be—and engagement with Gordon Brown, who talks about a federal solution, and I know we are a long way short of that. Do you agree that we need some real, firm institutional basis that is not just about personalities, but is about mechanisms that will ensure that, where there are differences, there is a fair and equal approach to resolving them? You have made your recommendations, but do you feel that they should be fully followed through, and might more be required on top of that?

Lord Dunlop: There are several points. In the approach to the union, I would say that it is always better to show than to tell. That would be my top-line comment.

We can talk about structures, but my whole approach is that at the heart of this is how you change culture. There is no magic silver bullet for changing the culture in an organisation; it requires a whole series of things. My report was a series of interlocking measures to create the right package of incentives to change that culture. If you are to achieve that culture change, you need to look at it and take it forward as a package.

We have talked about a Cabinet Minister for the union. I was very pleased that the Government set up a specific Cabinet committee for the union to develop a coherent strategy and make sure that a plan was developed and implemented. You need to ensure that that thinking is embedded throughout Whitehall, and that involves changes to the Civil Service. The appointment of Sue Gray as Permanent Secretary to help drive that change will be important.

The Government are already making some changes to the governance of departments, to Civil Service Learning and the interchange of civil servants from the devolved Administrations to central government, which are all helpful. If you are to change the culture, for example within the Civil Service, it should be a requirement if somebody wants to get to the top of the Civil Service that they are able to evidence in their career that they have the necessary devolution and union capability.

The other thing missing are robust mechanisms for holding departments to account. In my report, I say that we need to develop some output-based metrics against which the performance of departments can be measured and Permanent Secretaries can be held to account. These are rather dry things, and they do not have the sexiness, if I can put it that way, of a grand federal solution, but they are absolutely necessary if you are to achieve the cultural change that I am talking about.

Lord Bruce of Bennachie: I think they are very practical suggestions, and I agree with you. You are really talking about how the UK Government can be more devolution friendly and use mechanisms that work better, but how do we ensure that the interaction has a similar dynamic, and what is the role of the UK Government in helping to create that dynamic within the devolved Administrations?

To be honest, Scotland is struggling with Covid at the moment; it is being left behind by the rest of the UK. That is not acknowledged in Scotland, I have to say, but the facts speak for themselves. This is exactly the sort of situation where the United Kingdom Government and the Scottish Government should be gagging to work together to try to tackle the problem, yet actually the UK Government are saying, "It is your problem", and the Scottish Government are saying, "We are doing fine", when they are not.

The exchange of civil servants is a very good thing, but what more can be done not just to make the UK Government more devolution friendly but to make the devolved Administrations more recognising of the union benefit?

Lord Dunlop: I think it goes back to leadership and setting a positive agenda. One of the great benefits of the union is the massive policy capacity that exists within the United Kingdom Government. In your report, you highlight, or one of your witnesses highlights, the more limited bandwidth that exists in the Northern Ireland Executive.

Thinking through some of these complex issues, whether they are economic or to do with climate change, there is a huge policy capacity that exists within the United Kingdom Government, and it needs to be more effectively deployed. If it is more effectively deployed, it becomes a valuable asset that I think the devolved Governments will increasingly recognise as they seek to grapple with these very complex and difficult issues. It is about leadership, and the UK Government, in a very collaborative style, should be more on the front foot in providing that lead. I think that is what people are looking for at the moment.

Lord Bruce of Bennachie: Thanks. I really agree. That is really helpful.

The Chair: Thank you, Lord Dunlop. As a reflection on what you have said so far in relation to the questions that are coming now, I am sure that we entirely agree with you, as a committee, about the need to be proactive, rather than defensive, in pursuing the union. Of course, that is the potential role of common frameworks. I pass over to Lord Thomas, so that perhaps we can pursue some of those issues.

Q122 **Lord Thomas of Cwmgiedd:** Good morning, Lord Dunlop. Your report highlighted the potential importance of common frameworks. You have seen some views that we expressed in our report, and we would be very interested to know what your views are about our report and the progress made to date on common frameworks.

Lord Dunlop: I think your report is excellent: it is very authoritative in its analysis and in the conclusions that it has reached. One of the conclusions you reach is that common frameworks have made great progress but, in some respects, it is unfinished business.

I very much agree that we should not just be focusing on process; what matters to people are results and outcomes. To me, the key is, where competencies intersect, can we create a forum of intergovernmental relations that moves the dial from information sharing and consultation to becoming a forum for reaching joint agreement on all sorts of issues that may go beyond the original intention of common frameworks, which was to address gaps created when powers are coming back from Brussels?

What we have seen, as Covid has illustrated better than anything, is that the UK Government and the devolved Governments depend on each other to be fully successful. That applies in a whole series of areas, and I think it is going to apply particularly as we try to engineer and manage

the economic recovery from Covid that will be at the top of everybody's priorities over the coming months. I think your report is an excellent contribution to what I think is one of the live debates of the moment in British politics.

Lord Thomas of Cwmgiedd: You mentioned, in the course of your answer to me and in response to Lord Foulkes, the problem of trying to get shared policy and shared standards, and that common frameworks could be used more widely.

Could you elaborate a bit more, for example, on how you could use a common framework to try to get co-operation on the use of what was known as the shared prosperity fund and is now known as the levelling-up fund? It seems really important, as you have said, that you spend money wisely. Is there scope for a common framework?

Lord Dunlop: I think common frameworks are the gold standard, if you like, of how Governments work together across the United Kingdom. What pleases me about the Government's draft package of reform is that they seem to have taken that model and imported it into the reforms of intergovernmental relations. Common frameworks have worked well because they have been collaborative and consensual. It is clear from the draft package that is on the table that all the Governments recognise that there will be an intensification and a more structured approach to how the Governments engage together.

I think we should be looking to see how the inter-ministerial groups will work. There is a trade ministerial group, for example. What role will that group play in reaching common understandings of the sorts of standards that we want to see in future trade agreements, for example?

We must mention Lord Hope's very important amendment to the UK Internal Market Bill, and how the Section 10 and Section 18 delegated powers are to be exercised. We all felt, when we were debating that Bill in the House of Lords, that, where common frameworks can be agreed, there was a strong case for carve-outs or exclusions from how the market access principles in the Bill work. That, again, will be a very live issue coming up, which I think will test the intergovernmental machinery.

You specifically mentioned pan-UK spending powers. Some pretty strong commitments were given from the Dispatch Box on the governance of those funds. From the tone of what the Government were saying, of course they want to collaborate and co-operate with the devolved Governments. We wait to see what the detail is. That will be another test of how serious the Government are on moving the dial in this space.

Lord Thomas of Cwmgiedd: Thank you very much, Lord Dunlop.

Baroness Crawley: Good morning Andrew; it is very good to have you with us. As you know, we are all big fans of your report. This is nothing like a love-in, but we start from the same point.

As you know, the Government recently agreed with our first committee

report that common frameworks were innovative, flexible mechanisms for developing UK-wide policy. They also endorsed the committee's view that common frameworks have an important role to play in an evolving devolution settlement and in strengthening the union. I know that is your view in chapter 4 of your report.

Following on from Lord Thomas's questions, what further role do you see common frameworks playing in a reformed system of intergovernmental relations? Could you see them being expanded to policy areas that were not previously within EU competence? In answer to another colleague's question, you talked about sharing foreign policy issues across the devolved Administrations, and you talked about trade. Could we look at other reserved areas such as taxation and security? Should we break out from the bread and butter issues of common frameworks?

Lord Dunlop: Common frameworks have a particular meaning in a particular context. As I said previously, I think that where the competencies intersect we should be looking to deepen engagement to see where we can achieve joint agreements on areas of common interest. I would draw a distinction between where competencies overlap and where competency clearly sits with the UK Government, where they have reserved competence, and foreign policy is a good example. There, the relationship is slightly different because what I think the UK Government are seeking to do is ensure that they have talked to the devolved Governments, consulted them and understood where they are coming from, but the policy lead and the decisions still rest with the UK Government. I think that is the right division of labour.

My advice to the devolved Governments, if I can be so bold, would be not to overreach. We have seen that the Scottish Government particularly are constantly calling for more powers to be given to them, when they are not actually exercising the powers they have. While it might be nice for Scottish Ministers who believe in an independent Scotland to run their own foreign policy, they have to think about the interests of people on the ground in Scotland. Are the interests of businesses in Scotland best met by the UK presenting a united front in markets that we hope to exploit and build new trade with in the future? I suspect not. I think we need to be clear about where competence is shared, and try to develop mechanisms for reaching joint agreements, and, where you are consulting the devolved Governments, to make sure that, where the UK Government are in the driving seat, they are cognisant of the views of the devolved Governments.

The Chair: Thank you. I hope we can ask Lord Hope to come in, but I know he is having some difficulties. David, are you with us?

Lord Hope of Craighead: I am. Andrew, I am afraid it is a very unstable connection, but I hope I am not cut off before I finish putting my question.

Lord Dunlop: We are hearing you loud and clear.

Q123 Lord Hope of Craighead: It is another question about intergovernmental co-operation. One of the things we have noticed about the lighter-touch common frameworks is that they are moving towards a more formalised process of discussion when issues arise between the various participants in the framework. For example, there is one case where ad hoc discussions are replaced by a regular schedule of meetings; there is another case where the arrangements, which are fairly informal, have been preserved as they are but with the addition of biennial meetings. There is a patchwork of different systems, but they all seem to be working towards a more formalised process. Do you regard that as a positive step forward in improving co-operation, bearing in mind in particular the point you made about the need for Governments to have greater understanding of the way the devolved Administrations work?

Lord Dunlop: I think it is a very positive step. If you look back at the history of intergovernmental relations, what has bedevilled them is ad hockery and unpredictability. That has not bred an atmosphere of trust and confidence. Common frameworks have represented an intensification and a more structured engagement that I think is carried through in the draft package of reform, and I think that is entirely positive.

Dispute resolution is one of the areas about which there has been lack of confidence. The proposals in the Government's package of reform are quite impressive because they inject what I think the devolved Governments felt was missing: a much greater sense of impartiality and independence, and that the UK Government are not judge and jury in their own cause. I think that will go a long way to improving the atmosphere of intergovernmental relations.

Lord Hope of Craighead: Thank you. That is very encouraging. I think you spoke earlier about the need for a culture change in dealing with the devolved Administrations. I think I picked you up correctly as indicating that this is a way forward to achieving that result. Am I right about that?

Lord Dunlop: I completely agree with that.

Baroness Randerson: Good morning, Lord Dunlop. You mentioned earlier the importance of developing as a norm that senior civil servants should have a thorough understanding of devolution. I agree with you wholeheartedly. Unless there has been a complete change in the past five years, my experience in the Wales Office was that we spent a lot of time chasing round different departments trying to fill gaps in the understanding of devolution. Do you see the common frameworks as one of the important building blocks of developing the understanding and experience of devolution, or do you think that in a way they are too discrete and specialist to be expected to do that job?

Lord Dunlop: They will certainly help, but they are insufficient on their own to achieve what is required. Probably like you, when I was a Minister, in both the Scotland Office and Northern Ireland Office, there was almost a checklist of Whitehall departments that were good when it came to devolution and understood it and departments that did not. For

example, Defra was always very good at engaging with the devolved Governments, and that was because it absolutely needed to.

Going back to Covid, one of the interesting things that has come out of it is that for many departments that were not really exposed to devolution it has been a crash course in how devolution works. The department of health, the Department for Education, DCMS and MHCLG were probably on everyone's list of departments that were not very far along the learning curve, but we have found over the last 12 months that they have had to get up to speed pretty quickly. That is one unexpected benefit that has come from Covid.

If you are to achieve the culture change I am talking about, you need much deeper changes within how the Government operate. I mentioned some of the things that I think need to happen. I think the Government have moved on some of those. We now have departmental board members and non-executive directors with specific responsibility for looking at devolution and the union within departments. The Civil Service has moved to strengthen the learning opportunities for civil servants. It is not just about understanding or knowledge of whose powers lie in which domain; it is about providing and equipping civil servants with the capability to act in a devolved space and interact with the devolved Governments. That is a capability issue and it will take time to develop and embed, but certainly the experience of common frameworks will be an important part of that effort. As I say, it will help but it is not sufficient on its own.

The Chair: Those are very good questions. Can I turn now to Lord Murphy and the role of the territorial offices?

Lord Murphy of Torfaen: Andrew, I very much welcome your report, which contains much wisdom and moves away from the nonsense, frankly, that we have had to put up with over many years about how central government in Whitehall is dealing with devolution. We have had far too many meaningless platitudes and indifference in London with regard to devolution. This is a good, concrete report and we are very grateful to be able to talk about it.

I want to come to the specific issue of the territorial offices. You and I have worked in two of the three. How do you see the territorial offices fitting into the new system of intergovernmental relations and with the development of common frameworks? The other question I want to ask is about the new Cabinet position upon which you have already touched. You will know the sorry history of Cabinet positions trying to deal with this. First, we had the Secretary of State for Justice dealing with constitutional issues, a most unlikely combination. It never worked. Then they had me doing it, as Welsh Secretary with other responsibilities. That did not do the trick either. Now we have the Cabinet Office dealing with it, and, frankly, Michael Gove has too much to do as well.

We now have your idea of a specific Cabinet Minister to deal with the union, and I think there is much to commend it. It is not too far removed

from what people used to call the Secretary of State for the Isles of the United Kingdom. There are two issues about it that trouble me and on which I would like your comments. The first is with regard to Northern Ireland and whether it really is the job of the British Government to be persuaders in Northern Ireland for the union. I never thought it was to be persuaders for either the unionism or nationalism, but to be neutral. The second thing is about the relationships between the three Secretaries of State for Northern Ireland, Wales and Scotland and the new Cabinet Minister. How would that work? I am sorry that there are a number of questions, but it is such an interesting report that I am delighted to have the opportunity to be able to ask you those questions.

Lord Dunlop: Thank you, Lord Murphy. I think the critique of a lot of people of the territorial offices in the past has been that they are too small to exert influence in Whitehall. My report and its recommendations were very much informed by my own experience working at the heart of government when I was an adviser in No. 10 and then a Minister in both the Scotland Office and the Northern Ireland Office. My experience was that, if you wanted to move the behemoth that is Whitehall, you could make things happen by getting No. 10, the Treasury and the Cabinet Office all aligned with the relevant territorial office. I replicated that kind of thinking in my recommendations.

I think we need to distinguish the roles of the territorial Secretaries of State and the new Cabinet position I am advocating. Classically, the role of the territorial offices is to represent the interests of Scotland, Wales and Northern Ireland within the Cabinet, and represent the UK Government in Scotland, Wales and Northern Ireland, whereas I see the new Cabinet position as having an overview, making sure that what the UK Government are doing is joined up, and, if you like, driving culture change in Whitehall. Those are two different tasks.

I think your committee has rightly picked up the question as to whether in developing common frameworks the views of stakeholders in the particular devolved nations are properly engaged. Are they involved and feeling consulted? I see it as very much a principal role of the territorial offices to make sure that is happening. My experience as a Northern Ireland Minister when we did not have the devolved institutions operating was that a big part of my role was to go out and engage with business and other stakeholders in Northern Ireland to make sure that their views were reflected in the development of policy in Whitehall.

You mentioned Northern Ireland in particular. We have discussed, including across the Dispatch Box in the House of Lords, the needs of Northern Ireland. There are huge and sensitive politics, but my experience of going out to talk to people in Northern Ireland is that what they want more than anything else is improved delivery of public services in Northern Ireland. How the UK Government can best help, without crowding out the devolved Government in Northern Ireland, is by playing a proactive, supportive role in making sure that there are big improvements in the outcomes on public services in Northern Ireland.

We have to demonstrate to people in Northern Ireland across both communities that the union is of practical value to everybody in Northern Ireland. I think that can be done. Absolutely. I was very pleased to see that, for example, city deals were extended to Northern Ireland, because that is a practical way in which the UK Government in a supportive, not overpowering, way can help the fragile political situation in Northern Ireland to stabilise. I think that is such a priority as we go forward.

Lord Murphy of Torfaen: Thank you for those very interesting answers.

Lord Foulkes of Cumnock: I was really impressed by the recommendations in Andrew's report with regard to the territorial Secretaries of State. As members of this committee know, we have been a bit disappointed in trying to get the territorial Secretaries of State to give evidence. They have been very reluctant to give evidence to our committee. They did not see that as their role. There is a huge problem in getting them to realise they are not just there to sit on committees; they are there to take initiatives. For example, if I asked the members of this committee who are not from Scotland if they knew who the Secretary of State for Scotland was, I doubt they would know it was Alister Jack. Andrew, you are probably better known in Scotland than Alister Jack. Paul is probably better known in Wales than—what is his name?—Simon Hart. What can we do to get the Secretaries of State for Wales and Scotland in particular to realise that they have an important public role in Scotland and Wales, and that they should get out of the Whitehall committee nexus and do something positive?

Lord Dunlop: What I tried to do in my report was increase the influence of the territorial Secretaries of State within Whitehall. I talked to David Lidington, for whom I have a high regard, about the idea of having a union Cabinet committee. He said, "Oh, no. I'm not sure about that, because we need to have everybody on it". I said, "No. Absolutely not; you want a very small strategic committee", and that is what we have. We have the Prime Minister chairing it, with Michael Gove, the Chancellor of the Exchequer and the three territorial Secretaries of State.

That is a perfect forum for the territorial Secretaries of State to exert real influence within Whitehall. I urge them to use that influence, make sure that they are engaging with the stakeholders in their respective nation or territory and bring that to bear in those forums. When they achieve changes to government policy and successes, they should go out and talk about them because if nobody knows that they have achieved those successes they will not get the political benefit. In the final chapter of my report, I talk about the whole issue of communications. You can get sucked into, "Oh, this is all propaganda", but it is good for democracy if people around the country understand who is responsible for things, and who is and is not achieving what.

The Chair: Baroness Randerson, I see that your hand is up. Do you want to come in?

Baroness Randerson: Yes, please. This has been a fascinating

discussion on the question. I think that in the case of the Northern Ireland Office a distinction is to be drawn. When I was working there, your role was very precise and was laid out carefully. You were cautious about working beyond that role. In the Wales Office, we tried to raise our profile in exactly the way Lord Dunlop has just referred to. We started the work on co-operative funding of infrastructure projects that led to city deals and so on, but you have to be very careful not to tread on toes, and I wonder how you stop the territorial offices being seen as setting themselves up as rival mini-governments within the devolved nations. In the work we did in the Wales Office related to the Great campaign, for example, we were very careful to publicise what was good about it, but I had an almost daily role of informal contact and liaison with members of the Welsh Government to smooth the processes and build trust.

My concern is that some of the political rhetoric—I am saying this carefully—in recent months from the UK Government has not been helpful in building the kind of trusting relationship that you outlined, with which I wholeheartedly agree. How do the Government draw the line and stop themselves from treading on the rightful toes of the devolved Administrations?

Lord Dunlop: That is an interesting question, Baroness Randerson. I would be sympathetic to the approach you have articulated. We need open lines of communication and to ensure that people are not taken unawares by something we are doing. Where you can collaborate and co-operate you should try to do so. You mentioned the Great campaign. I recall David Mundell, when he was Secretary of State, launching the Great campaign in Scotland with John Swinney. That was a good example of co-operative working because you might imagine that John Swinney would not have been falling over himself to promote the Great campaign, but by building those relationships and demonstrating the value of doing it, you can make progress.

The difficulty sometimes comes when the UK Government want to do something and the devolved Government becomes a bit of a drag anchor on allowing you to take forward something that will be of benefit to Scotland, Wales or Northern Ireland. That is something the devolved Governments need to think about. They need to think about the people they represent. It is for some of us who are no longer in government to call out behaviour that is motivated by politics and gets in the way of achieving better outcomes for people across these islands.

The Chair: We are coming to the end of the session. We are going to move to Northern Ireland. I think Lord Caine is still unable to be with us, so I will move straight to Baroness Ritchie.

Q124 **Baroness Ritchie of Downpatrick:** You are very welcome, Andrew. Obviously, I remember you serving in the Northern Ireland Office when I was a member in the other place. Our experience so far of the Northern Ireland Executive has been a snobbishness, an unwillingness or an inability to sign off on common frameworks. We do not necessarily know the reasons for that. As a former Minister in the Northern Ireland

Executive I can try to second-guess, but that is never the best possible evidence on which to base your answers. Having said that, what dangers are there if the Northern Ireland Executive are not able fully to participate in intergovernmental processes due to either lack of capacity—lack of bandwidth—or failure to secure internal agreement?

Lord Dunlop: Thank you for that question. You absolutely need a strong Northern Ireland voice around the table when you are discussing issues that cut across all the governments in the UK. You need a political voice that is able to understand and articulate the particular characteristics and needs of Northern Ireland; for example, the Northern Ireland economy is very distinct and the needs of its stakeholders are very distinct. When I was a Northern Ireland Minister, it coincided with a period when the Executive were not operating and the Assembly was not sitting and we really noticed the difference. Civil servants from the Northern Ireland Executive could attend the meetings, but they never said anything very much because they were not mandated to do so. There are real dangers if we do not get the benefit of a strong Northern Ireland voice.

We need to recognise that Northern Ireland is special and distinct; it has additional structures in the three-strand approach. You have the Northern Ireland protocol joint committee, the joint boards, and the implementation groups under the whole New Decade, New Approach. I hope New Decade, New Approach works, because my experience was that you had departments that were very siloed within the Executive, when actually what you were looking for was taking forward a joint programme where there was a sense of collective responsibility for implementation of that programme. If that can be developed, it will help to ensure more effective participation in the new mechanisms for intergovernmental relations that the Government are trying to take forward.

Baroness Ritchie of Downpatrick: Thank you, Andrew. I suppose that what you are really saying, but not affirming it in any way, is that mandatory coalition can lead to that siloed approach, because you have different Ministers from different parties with responsibility for different departments and it is only natural that there will be a level of territoriality within parties and within respective Ministers as well.

In relation to Lord Murphy's question, you referred to the sensitivities of dealing with Northern Ireland because of the elements of the two traditions and working in a divided society. We have already seen, in the past number of months, a top-down approach in Northern Ireland from Whitehall where there was an indication from the Secretary of State for Northern Ireland and from Michael Gove that they would be setting up a Whitehall department in Belfast. My understanding is that there was no real consultation, agreement or consensus achieved with the Northern Ireland Executive in relation to that.

I have two questions about that. Would you not agree that there should be an element of agreement and consensus, considering the sensitivities of Northern Ireland? There was fear of an overlap on housing, local

government and communities with the existing devolved departments in Northern Ireland. The other question is: do you think there is sufficient understanding in the UK Civil Service of Northern Ireland and its special circumstances? Whether you do or do not agree, how do you think that understanding can be improved and acted on to achieve better outcomes?

Lord Dunlop: If I could take your second question first, my perception would be that, following the St Andrews agreement, we entered a decade of the longest unbroken period of devolved rule. Inevitably, that changed the nature of Whitehall's engagement in Northern Ireland issues. My own experience when I was working for David Cameron was a sense that the centre of the UK Government should be more hands-off, and the devolved institutions should be given the space to grow and mature. One of the findings in my report was that maybe that led to a loss of understanding and capacity at the centre of the UK Government of Northern Ireland issues. In my report, I made a couple of recommendations to address that.

I recommended that the Northern Ireland Office should be brought within the UK governance group management for civil service reasons, because I think that would promote a more joined-up approach, which included Northern Ireland, to how different nations are dealt with at the centre of the UK Government. As to the other principal recommendation, obviously we have a separate Northern Ireland Civil Service, and I heard very strongly from all the people I talked to in Northern Ireland that it would enhance the experience for Northern Ireland and the UK Government if there was much more interchange of civil servants between the two Administrations. It would promote a better understanding of Northern Ireland in the UK Civil Service and would help the Northern Ireland Civil Service to develop its capability in policy areas, whether welfare, housing or whatever you like to mention. With Sue Gray's appointment, there is no one better to try to promote that kind of initiative than her.

The Government have not taken this forward and brought the Northern Ireland Office within the UK governance group at this point in time, given what is going on in Northern Ireland at the moment, but I understand that the Cabinet Office is increasing its resource, if you like, regarding Northern Ireland in the Cabinet Office.

On your second question, I am not aware of the specific issue you raise, but I think the government-dispersed model for the Civil Service is very important in all the culture change I have been talking about in this session, because you want to get civil servants out of Whitehall and operating in the nations and regions. It is only by living and working in particular communities that you get that perspective. I see it as a positive thing. I am sorry to hear it if that initiative has caused problems with the Northern Ireland Executive. I can only imagine that it was not intended to be a threatening thing but something that has many positive benefits for Northern Ireland, as it will for Scotland and Wales.

The Chair: I ask Lady Redfern to finish the session off for us with a final

very important question.

Q125 Baroness Redfern: Lord Dunlop, thank you for meeting us again today and answering our questions. You have mentioned the importance of co-operation in collective working. I note that in your report you say: "Working together is no longer an optional extra, if ever it was. It is fundamental to the business of government in these islands". What role should co-operation between legislatures play in supporting intergovernmental relations?

Lord Dunlop: This is a very important aspect. I touch on it in my report, but I do not go into detail because I do not think it is my place to tell Parliaments what they should be doing. As you all know, this is a great priority for our current Lord Speaker, who has been very much at the forefront of promoting co-operation between the legislatures in these islands. You will be aware that it was at his initiative that the Interparliamentary Forum on Brexit was established, and I and others took part in some of those sessions.

The key to them was that they were informal. They were not just about plenary sessions where you set out your views on particular issues, but about all the relationship building that takes place in the margins of the formal sessions. What was so positive about them was that we as UK parliamentarians welcomed them, and that they were equally welcomed by the Members of the devolved legislatures. I think the Scottish Parliament and the Welsh Senedd were well represented in those sessions. The regret was that we were not able to include any Northern Ireland politicians, and I hope that going forward that can be rectified.

I think the Lord Speaker, if I pick him up correctly, would like to build on the experience of the Interparliamentary Forum on Brexit to try to promote and expand those relationships, and that is an entirely positive development.

The Chair: Thank you, Lord Dunlop. This has been a splendid session. It has been very interesting. We have pursued the logic of some of your recommendations, but what is important for us is to have the opportunity, because of the value of your report and its innovative nature, to explore some of the implications of the changes you want to see and that you are confident are work in progress, and how they will enable us to make the best arguments and forms of scrutiny for common frameworks. We are looking at cultural, institutional and relationship changes. All these things will play into our ambitions that common frameworks have as much impact as possible on managing diversions, but, as you put it in your report, creating and building solidarity as well.

A particular theme that you picked up, which I thought was very interesting from our point of view, was the developmental model of the common frameworks when we begin to look beyond the process at the outcomes. How can the outcomes be so developed as to serve not only the narrow definition of their purpose but to begin to play into wider considerations of policy as appropriate? What you said about stakeholders

is very important for us too, because we are concerned about that. Your view about how the territorial offices are likely to develop is very timely because next week we are seeing the three territorial Ministers.

All in all, it has been an extremely rewarding session. I thank you on behalf of us all for your time and for what I am sure will be a continuing conversation. Thank you very much indeed.

Lord Dunlop: Thank you very much, Chair, for having me and asking such good questions, which I hope I have done justice to.

The Chair: You have certainly more than done justice to them. With that, I declare the session closed.