



House of Commons  
Public Administration Select  
Committee

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# **Further Report on Machinery of Government Changes**

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**With the Government Response to  
the Committee's Eighth Report of  
Session 2007-08**

**Seventh Report of Session 2008–09**





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*Report and appendix, together with formal  
minutes*

*Ordered by the House of Commons  
to be printed 21 May 2009*

## The Public Administration Select Committee

The Public Administration Select Committee is appointed by the House of Commons to examine the reports of the Parliamentary Commissioner for Administration and the Health Service Commissioner for England, which are laid before this House, and matters in connection therewith, and to consider matters relating to the quality and standards of administration provided by civil service departments, and other matters relating to the civil service.

### Current membership

Dr Tony Wright MP (*Labour, Cannock Chase*) (*Chairman*)  
Mr David Burrowes MP (*Conservative, Enfield Southgate*)  
Paul Flynn MP (*Labour, Newport West*)  
David Heyes MP (*Labour, Ashton under Lyne*)  
Kelvin Hopkins MP (*Labour, Luton North*)  
Mr Ian Liddell-Grainger MP (*Conservative, Bridgewater*)  
Julie Morgan MP (*Labour, Cardiff North*)  
Mr Gordon Prentice MP (*Labour, Pendle*)  
Paul Rowen MP (*Liberal Democrats, Rochdale*)  
Mr Charles Walker MP (*Conservative, Broxbourne*)  
Jenny Willott MP (*Liberal Democrats, Cardiff Central*)

### Powers

The powers of the Committee are set out in House of Commons Standing Orders, principally in SO No 146. These are available on the Internet via [www.parliament.uk](http://www.parliament.uk)

### Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at <http://www.parliament.uk/pasc>

### Committee staff

The current staff of the Committee are Steven Mark (Clerk), David Slater (Second Clerk), Pauline Ngan (Committee Specialist), Louise Glen (Senior Committee Assistant), Lori Verwaerde (Committee Assistant) and Shane Pathmanathan (Committee Support Assistant)

### Contacts

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# 1 Report

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1. Since June 2007 we have been in dialogue with the Government on whether the Prime Minister should continue to exercise near-absolute power to reorganise the Civil Service Departments.

2. We reported to the House on *Machinery of Government Changes* in June 2007.<sup>1</sup> The Government Response was received in November of that year.<sup>2</sup> We continued the argument in December with *Machinery of Government Changes: A follow-up Report*.<sup>3</sup> On 14 May 2008, we published the Government's Response, received the previous month, with a *Further Report*.<sup>4</sup> Shortly afterwards, in a Report on the Draft Constitutional Renewal Bill, we restated our recommendation that the draft Bill "should include measures to change fundamentally the way that Government is structured, by giving statutory functions to Government Departments, rather than to interchangeable Secretaries of State" and we invited the specially constituted Joint Committee on the draft bill to support our position.<sup>5</sup>

3. The Joint Committee did not in the event support our view, concluding that "there should be better Parliamentary scrutiny of such changes but this is a matter for the appropriate select committees rather than through legislation".<sup>6</sup>

4. After a long hiatus of nearly a year, on 7 May 2009 we received the Government's Response to our *Further Report*, which we are publishing here. The Government has not accepted our recommendations.<sup>7</sup>

5. Our position remains that there should be a debate and vote in Parliament before any major change to the machinery of government can be made, but there seems little reason to believe that any further exchange will alter the Government's opposition to our proposal.

6. The Government has, however, agreed with the position adopted by the Joint Committee that there should be better Parliamentary scrutiny of machinery of government changes. This raises practical issues. Changes to Government Departments entail corresponding changes to the remits of Departmental Select Committees. It is not clear to us that a Select Committee newly constituted to consider a newly created Government Department will necessarily be well-placed to judge the administrative or financial impact of the change that has taken place. A new Committee may also have a pressing policy agenda of its own, and a vested interest in the new status quo: its existence after all depends on it. Where functions have been transferred between Government Departments, it is not

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1 Seventh Report of Session 2006-07, published on 15 June 2007 as HC 672

2 Third Special Report of Session 2007-08, HC 90

3 First Report of Session 2007-08, published on 17 December 2007 as HC 160

4 Eighth Report of Session 2007-08, published on 14 May 2008 as HC 514

5 *Constitutional Renewal: Draft Bill and White Paper*, Tenth Report of Session 2007-08, HC 499, para 67

6 Report of the Joint Committee on the draft Constitutional Renewal Bill, HL 166-I / HC 551-I (Session 2007-08), para 303

7 Appendix

clear whether scrutiny would be conducted by the Committee examining the Department which has lost a given function, the Committee examining the Department which has gained the function, or the two Committees jointly.

7. For these reasons, it may be that—in some circumstances at least—a Committee such as our own, with a remit to consider administrative issues across Whitehall, is better-placed to scrutinise the impact of specific machinery of government changes than individual Departmental Select Committees.



## Appendix: Government Response

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### Government response to the Public Administration Select Committee's Eighth Report of Session 2007-08 on Machinery of Government Changes

The Government notes the Committee's continued interest in this subject, as well as that of the Joint Committee on the Constitutional Renewal Bill.

The Government agrees that the allocation of ministerial responsibilities is an important constitutional issue. The response to the Committee's second report on machinery of government changes explains in detail the importance of the Prime Minister's ability to appoint Ministers to the roles he thinks most appropriate and consequently to restructure government. This response also outlined what we believe to be significant steps forward in improving transparency of the machinery of government process, and the ability of Parliament effectively to scrutinise these changes. All significant changes are announced to Parliament by a Written Ministerial Statement which is now accompanied by detailed background material placed in the Libraries of both Houses. We hope that this provides a starting point for any Select Committees who wish to examine changes.

Last October, the Prime Minister announced, as part of other changes in responsibilities, the appointment of a Secretary of State with responsibility for energy and climate change. Consequently, a new Department has been created – the Department of Energy and Climate Change. This change was announced to Parliament by means of a Written Ministerial Statement by the Prime Minister, and on 15 October 2008 a Cabinet Office document explaining the changes was published and placed in the Libraries of both Houses (a follow-up document was also published on 10 February 2009).

The Government has carefully considered the Committee's latest recommendations, in line with the principles set out in the Governance of Britain White Paper and also in light of the views of the Joint Committee on the Constitutional Renewal Bill which concluded that 'there should be better Parliamentary scrutiny of such changes but this is a matter for the appropriate select committees rather than through legislation'. The Government agrees with this approach. The Government's response to the conclusions and recommendations in the Committee's third report is set out below.

**Reorganising Government Departments in line with ministerial responsibilities may be long-standing practice, but it is putting the cart before the horse. We are not calling for primary legislation for every government reorganisation, but for major changes to the machinery of government, new secondary legislation should be subject to a debate and vote in Parliament to ensure proper scrutiny and analysis of the consequences.** (paragraph 4 of the Committee's further report)

As explained in the Government's response to the Committee's second report, it is a key part of the role of the Prime Minister to be able to organise the responsibilities of Cabinet ministers in line with his assessment of the key challenges faced.

The Government does of course agree that there is a role for Parliamentary scrutiny of these changes and the recent practice of publishing explanations of changes aims to facilitate this. The existing Transfer of Functions Order (TFO) process also provides an

opportunity for scrutiny, and the Government will provide for a debate if the TFO is prayed against and if there is sufficient desire for a debate.

**This would require a fundamental change to the way that Government is structured. It would mean giving statutory functions to Government Departments, rather than just to interchangeable Secretaries of State. It would not limit the Prime Minister's ability to appoint ministers of his or her choice, but it might mean that those ministers would exercise functions across Departments, at least until changes to departmental functions had been set out in law and agreed by Parliament. Such a change would be an important practical demonstration of the Prime Minister's commitment to "entrust ... more power to Parliament" and to "surrender or limit" his own powers. We call on the Government to reconsider their position.** (paragraph 5 of the Committee's further report)

The Committee's proposal to reassign responsibilities from Government Ministers (generally Secretaries-of-State) to Departments amounts to a fundamental constitutional change, which the Government does not support. In addition to limiting the Prime Minister's ability to respond to changing needs, this would have a wide range of implications that would need careful consideration, for example on the nature of the accountability of Ministers to Parliament, the role of the Civil Service, and the responsibility for actions of the Government in the courts.

# Formal Minutes

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**Thursday 21 May 2009**

Members present:

Dr Tony Wright, in the Chair

Paul Flynn  
David Heyes  
Kelvin Hopkins

Julie Morgan  
Mr Gordon Prentice

Draft Report (*Further Report on Machinery of Government Changes*), proposed by the Chairman, brought up and read.

*Ordered*, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 7 read and agreed to.

A paper was appended to the Report.

*Resolved*, That the Report be the Seventh Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

[Adjourned till Tuesday 9 June at 2.00 pm]

## List of Reports from the Committee during the current Parliament

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The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2008-09

First Report	Lobbying: Access and Influence in Whitehall	HC 36
Second Report	Justice Delayed: The Ombudsman's Report on Equitable Life	HC 41
Third Report	Ethics and Standards: Further Report	HC 43 ( <i>HC 332</i> )
Fourth Report	Work of the Committee in 2007-08	HC 42
Fifth Report	Response to White Paper: "An Elected Second Chamber"	HC 137
Sixth Report	Justice denied? The Government response to the Ombudsman's report on Equitable Life	HC 219 ( <i>HC 569</i> )

### Session 2007-08

First Report	Machinery of Government Changes: A follow-up Report	HC 160 ( <i>HC 514</i> )
Second Report	Propriety and Peerages	HC 153 ( <i>Cm 7374</i> )
Third Report	Parliament and public appointments: Pre-appointment hearings by select committees	HC 152 ( <i>HC 515</i> )
Fourth Report	Work of the Committee in 2007	HC 236 ( <i>HC 458</i> )
Fifth Report	When Citizens Complain	HC 409 ( <i>HC 997</i> )
Sixth Report	User Involvement in Public Services	HC 410 ( <i>HC 998</i> )
Seventh Report	Investigating the Conduct of Ministers	HC 381 ( <i>HC 1056</i> )
Eighth Report	Machinery of Government Changes: Further Report	HC 514 ( <i>HC 540, Session 2008-09</i> )
Ninth Report	Parliamentary Commissions of Inquiry	HC 473 ( <i>HC 1060</i> )
Tenth Report	Constitutional Renewal: Draft Bill and White Paper	HC 499
Eleventh Report	Public Services and the Third Sector: Rhetoric and Reality	HC 112 ( <i>HC 1209</i> )
Twelfth Report	From Citizen's Charter to Public Service Guarantees: Entitlement to Public Services	HC 411 ( <i>HC 1147</i> )
Thirteenth Report	Selection of a new Chair of the House of Lords Appointments Commission	HC 985
Fourteenth Report	Mandarins Unpeeled: Memoirs and Commentary by Former Ministers and Civil Servants	HC 664 ( <i>HC 428, Session 2008-09</i> )

### Session 2006-07

First Report	The Work of the Committee in 2005-06	HC 258
Second Report	Governing the Future	HC 123 ( <i>Cm 7154</i> )
Third Report	Politics and Administration: Ministers and Civil Servants	HC 122 ( <i>HC 1057, Session 2007-08</i> )
Fourth Report	Ethics and Standards: The Regulation of Conduct in Public Life	HC 121 ( <i>HC 88, Session 2007-08</i> )

Fifth Report	Pensions Bill: Government Undertakings relating to the Financial Assistance Scheme	HC 523 ( <i>HC 922</i> )
Sixth Report	The Business Appointment Rules	HC 651 ( <i>HC 1087</i> )
Seventh Report	Machinery of Government Changes	HC 672 ( <i>HC 90, Session 2007–08</i> )
Eighth Report	The Pensions Bill and the FAS: An Update, Including the Government Response to the Fifth Report of Session 2006–07	HC 922 ( <i>HC 1048</i> )
Ninth Report	Skills for Government	HC 93 ( <i>HC 89</i> )
First Special Report	The Governance of Britain	HC 901
<b>Session 2005–06</b>		
First Report	A Debt of Honour	HC 735 ( <i>Cm 1020</i> )
Second Report	Tax Credits: putting things right	HC 577 ( <i>HC 1076</i> )
Third Report	Legislative and Regulatory Reform Bill	HC 1033 ( <i>HC 1205</i> )
Fourth Report	Propriety and Honours: Interim Findings	HC 1119 ( <i>Cm 7374</i> )
Fifth Report	Whitehall Confidential? The Publication of Political Memoirs	HC 689 ( <i>HC 91, Session 2007–08</i> )