House of Commons
Political and Constitutional Reform Committee

The role and powers of the Prime Minister: The impact of the Fixed-term Parliaments Act 2011 on Government

Fourth Report of Session 2013–14

Volume I: Report, together with formal minutes and oral evidence

Written evidence is contained in Volume II, available on the Committee website at www.parliament.uk/pcrc

Ordered by the House of Commons to be printed 18 July 2013
The Political and Constitutional Reform Committee

The Political and Constitutional Reform Committee is appointed by the House of Commons to consider political and constitutional reform.

Current membership

Mr Graham Allen MP (Labour, Nottingham North) (Chair)
Mr Christopher Chope MP (Conservative, Christchurch)
Paul Flynn (Labour, Newport West)
Sheila Gilmore MP (Labour, Edinburgh East)
Andrew Griffiths MP (Conservative, Burton)
Fabian Hamilton MP, (Labour, Leeds North East)
Simon Hart MP (Conservative, Camarthen West and South Pembrokeshire)
Tristram Hunt MP (Labour, Stoke on Trent Central)
Mrs Eleanor Laing MP (Conservative, Epping Forest)
Mr Andrew Turner MP (Conservative, Isle of Wight)
Stephen Williams MP (Liberal Democrat, Bristol West)

Powers

The Committee’s powers are set out in House of Commons Standing Orders, principally in Temporary Standing Order (Political and Constitutional Reform Committee). These are available on the Internet via http://www.publications.parliament.uk/pa/cm/cmstords.htm.

Publication

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 www.parliament.uk/pcrc. A list of Reports of the Committee in the present Parliament is at the back of this volume.

The Reports of the Committee, the formal minutes relating to that report, oral evidence taken and some or all written evidence are available in a printed volume.

Additional written evidence may be published on the internet only.

Committee staff

The current staff of the Committee are Joanna Dodd (Clerk), Adele Brown (Senior Committee Specialist), Emma Fitzsimons (Legal Specialist), Tony Catinella (Senior Committee Assistant), Jim Lawford, (Committee Assistant) and Jessica Bridges-Palmer (Media Officer).

Contacts

All correspondence should be addressed to the Clerk of the Political and Constitutional Reform Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 6287; the Committee’s email address is pcrc@parliament.uk.
## Contents

**Report**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The impact of Fixed-term Parliaments Act 2011 on Government</td>
<td>3</td>
</tr>
<tr>
<td>Background to the inquiry</td>
<td>3</td>
</tr>
<tr>
<td>The Fixed-term Parliaments Act 2011</td>
<td>3</td>
</tr>
<tr>
<td>Emerging Benefits</td>
<td>4</td>
</tr>
<tr>
<td>Legislative planning</td>
<td>4</td>
</tr>
<tr>
<td>Strategic planning</td>
<td>5</td>
</tr>
<tr>
<td>Financial planning</td>
<td>6</td>
</tr>
<tr>
<td>Political planning</td>
<td>7</td>
</tr>
<tr>
<td>Beyond Government</td>
<td>8</td>
</tr>
<tr>
<td>Other factors</td>
<td>8</td>
</tr>
<tr>
<td>Long-term policy areas</td>
<td>8</td>
</tr>
<tr>
<td>Fixed terms and the Coalition</td>
<td>9</td>
</tr>
<tr>
<td>Next steps</td>
<td>10</td>
</tr>
</tbody>
</table>

**Conclusions and recommendations**

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
</tr>
</tbody>
</table>

**Formal Minutes**

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
</tr>
</tbody>
</table>

**Witnesses**

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
</tr>
</tbody>
</table>

**List of written evidence**

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
</tr>
</tbody>
</table>
The role and powers of the Prime Minister: The impact of the fixed-term Parliaments Act 2011 on Government

The impact of Fixed-term Parliaments Act 2011 on Government

Background to the inquiry

1. In 2010, the Government pledged to establish fixed five-year Parliamentary terms, as part of its commitment to political reform in The Coalition: Our Programme for Government. We reported on the constitutional implications of this move in our 2010 Report, Fixed-term Parliaments Bill.1 Professor Robert Hazell, of University College London, described the Fixed-term Parliaments Act 2011 as “a very significant surrender of prime ministerial power.”2

2. As part of our inquiry into The role and powers of the Prime Minister, we have been exploring the impact of the 2011 Act. We are particularly interested in the practical implications of the shift to fixed terms on Departmental planning. This report represents our findings to date. We will continue to explore prerogative powers as part of our wider inquiry.

3. We decided to hold a one-off evidence session on this issue as we think that half-way through the first fixed term provides a good opportunity to reflect on the impact of the 2011 Act, and, moreover, to ensure that Departments make the most of the potential planning benefits fixed terms bring. We have focused only on the impact on Government in this Report, and have not considered the impact of fixed terms on Parliament itself.

4. On 18 December 2012, we wrote to the Permanent Secretaries of central Government Departments to request written evidence on the impact of the 2011 Act. A copy of our letter, along with the 17 replies from Permanent Secretaries, can be found on our website. The National Audit Office assisted us in analysing the responses we received. The Chair has also held meetings with Permanent Secretaries of central Government Departments, to assist us with our inquiry. We also took oral evidence from the Rt Hon Peter Riddell, Director of the Institute for Government and Ms Chloe Smith MP, Minister for Political and Constitutional Reform, Cabinet Office. We are grateful to all those who contributed to this part of our inquiry.

The Fixed-term Parliaments Act 2011

5. The Fixed-term Parliaments Act came into force in September 2011 and provides for the next general election to take place on 7 May 2015 and thereafter for general elections to be held every five years on the first Thursday in May.

6. The Act provides for two cases in which an election would be triggered, other than at five-year intervals:

---

1 HC 436
2 Q 82
• either, a motion of no confidence in the Government is passed, by a simple majority and 14 days elapses without the House passing a confidence motion in any new Government formed;
• or a motion for a general election is agreed by two thirds of the total number of Members in the House of Commons (currently 434 out of 650) including vacant seats.

7. Section 7 of the 2011 Act provides for the Act to be revisited in 2020: it requires the Prime Minister to establish a committee, to carry out a review of the operation of the Act and make any recommendations for repeal or amendment as required.

Emerging Benefits

8. Overwhelmingly, the written evidence we received from Departments welcomed the move to fixed terms: many responses cited the fact that a fixed term provided a platform of greater certainty for legislative, strategic and financial planning. The most commonly cited advantages of fixed terms were:

• the potential to reduce uncertainty and instability;
• a clear timetable for the next general election;
• more effective forecasting;
• ability to prioritise more effectively;
• ability to allocate key staff in accordance with the policy priorities;
• a sense of direction from the outset;
• greater consistency and clarity of strategy.

Legislative planning

9. According to the evidence we received, the main benefit of the 2011 Act for Departments is the greater certainty it brings to the legislative process: primary legislation can be planned more efficiently because the time available for the passage of bills is more predictable. In particular, there is greater certainty that the fourth and fifth sessions of a Parliament will run their full-length, and less risk of bills being lost in the process known as the “wash-up”, which is the period between the announcement of a general election and the dissolution of Parliament, when all the unfinished business must be dealt with very quickly, and bills are often shortened or lost altogether.

10. The Department for Transport explained the impact of fixed-terms with reference to a historical example:

A Road Safety Bill was introduced into the Commons in November 2004, before moving to the Lords in March 2005. The consequence of the dissolution of Parliament ahead of the June 2005 election was that the Bill was lost in its entirety. It was reintroduced after the election but at the time of dissolution there was no certainty that this would happen…and of, course, the implementation of the Bill was delayed. Additionally, having to take the Bill forward twice was not an efficient use of Departmental resources. If the [Fixed-term Parliaments] Act had been in force at the
time, it would have been more likely that there would have been sufficient time for the Road Safety Bill to have become law first time around.3

The ability to plan into a fourth and fifth parliamentary session with “neutrality” was a point echoed by the Department for Education4, the Home Office5 and the Cabinet Office.6

**Strategic planning**

11. Many Departments cited the potential for greater consistency and clarity of strategy as a positive effect of the 2011 Act. The ability to plan priorities in the context of a fixed five-year term enables Departments not only to set a sense of direction from the outset, but to be reasonably confident that they will have time to follow their strategy through.

12. The Minister for Political and Constitutional Reform explained that fixed terms enabled the rollout of certain strategic initiatives within the Cabinet Office itself:

> Something I am taking forwards is the use of management information across Government. Francis Maude and I have taken the view that we have five years in which to get this piece of work bedded in. It is my view that it is this kind of work that ought never to be reversed. There is no good reason for not having good management information…across Government….but we know very clearly that we have an initial period …in which to get a good system bedded in.7

13. Six Departments referred to departmental business plans in their written evidence as a useful planning exercise, enabling policy priorities and structural reform to take account of the fixed Parliamentary term. In particular, the Ministry of Justice stated that the introduction of the 2011-15 business plans had supported its strategic vision, which in turn had assisted forward looking delivery plans.8

14. The Department of Health emphasised that the timetable provided by the 2011 Act would “allow for more effective planning and deployment of resources, especially to support the election process,”9 both before and after a general election. This would enable the Department “to plan the establishment of a team to coordinate election briefing within a more specific timeframe.”10 The ability to look ahead and staff accordingly was stated as being particularly important to Departments with as wide-ranging and complex a remit as Health.11
Financial planning

15. Departments also referred to the changes in their financial planning brought about by fixed terms. The Treasury explained that the annual Finance Bill and Supplementary Estimate process “have been altered to take account of the move to fixed-term Parliaments, giving the Department further certainty around the Budget and spending rounds.”

16. Whilst the general view of many Departments was that the October 2010 Spending Review, which covered the period up until 2014-15, had increased clarity and allowed more effective planning, the Department for Education suggested that Spending Reviews should be more closely aligned with fixed-term Parliaments so as to provide even greater certainty:

Financial planning plays a central role in departmental planning, and our current sense is that the fixed term has been helpful in decisions about committing money and entering into contracts, for example. For the planning benefits of a fixed term to be realised more fully, however, the spending cycle might need to be aligned to a similar timetable. With the current Spending Review plans ending in 2014-15 this has necessitated a one-year “mini” spending review to agree budgets for the financial year beginning just before the end of this current term.

17. Peter Riddell was sceptical about the possibility of aligning the Spending Review more closely with the fixed term at a time when there was a Coalition Government:

I think it is the existence of the Coalition that has made the spending issues more difficult, not the fixed-term Parliament as such. If we had had a majority Government, we would have had a full-scale spending review this year, stretching ahead to the first two to three years of the next Parliament rather than a one-year one. It is perfectly and absolutely understandable why it is only one year because of the politics of it.

18. Financial planning is the bedrock of long-term Departmental planning; without a clear indication of spending plans, short-termism in delivery and policy formulation is bound to prevail. We call on the Government to produce a rolling five-year Spending Review, which is aligned more tightly to the fixed term, so that Departments can plan as effectively as possible.

19. When he gave evidence to us on 24 January 2012, in connection with another inquiry, the Cabinet Secretary, Sir Jeremy Heywood, told us that he would put on the agenda for discussion at one of the weekly meetings of Permanent Secretaries the issue of the impact of the 2011 Act on departmental planning and stability, stating that it “would be a good subject to discuss, to get different Departments’ perspectives on it.” We wrote to Sir Jeremy on 22 May to inquire about the results of this discussion and have not yet received a reply.

---

12 Ev w3
13 Ev w6
14 Q 219
15 HC 707-v, Q 312
20. It is too early to provide a comprehensive evaluation of the impact of the Fixed-term Parliaments Act 2011, as several Departments and the Minister for Political and Constitutional Reform emphasised in their evidence to us. Nonetheless, it is clear that the greater certainty about the date of the next general election that the Act provides facilitates better strategic, financial and, above all, legislative planning by Departments. It is early days, but we are keen that Departments maximise these benefits and share best practice with one another.

21. We recommend that, at six monthly intervals, the impact of the Fixed-term Parliaments Act 2011 on Departmental planning be added as an agenda item for discussion at the meetings of Permanent Secretaries, in order to provide an opportunity to share best practice. We ask the Cabinet Secretary to keep us informed of the date of his next meeting with the Permanent Secretaries and look forward to hearing the outcomes of that discussion.

**Political planning**

22. Departments were, on the whole, consistent in their analysis of fixed terms: the Act has enabled them to formulate their legislative, strategic and financial plans with a greater degree of certainty. The clearer timetable for the next general election also has benefits for the Government itself in terms of political planning.

23. Peter Riddell said that the move to fixed terms had removed a layer of speculation and political pressure, as the political parties, the general public and the media now have greater certainty about the timetable for the next general election as provided for in the 2011 Act. However, Peter Riddell was also clear that fixed terms alone could not eliminate all uncertainty, and that “speculation over leadership changes, speculation over reshuffles...[remain] the same as ever.”

24. The Department for Education also singled out ministerial reshuffles as a key element of administrative uncertainty. The Permanent Secretary for the Department for Education, in particular, stated a preference for a single reshuffle:

> I would suggest that having a single Ministerial reshuffle at the mid-term point of the parliament also seems to have brought some benefits from the perspective of departmental planning.

25. This was echoed by the Department of Health:

> In some cases a reshuffle may have more of an effect on a department than an election. The provisions of the Act do not make arrangements for changes to this internal reorganising (such as fixed-term contracts for ministers) and so reshuffles will continue to have the potential for impact on business within the cycle.
Those conclusions align with our own analysis of ministerial reshuffles, in our previous Report, *The impact and effectiveness of ministerial reshuffles*.21

26. The Fixed-term Parliaments Act 2011 has provided Departments with a clearer electoral timetable, which in turn facilitates greater certainty when it comes to planning. It has also removed some political speculation, allowing Ministers and officials to focus on delivery of policy rather than short-term survival. This will also allow the Prime Minister to plan with more certainty and this should have beneficial consequences in reducing disruptive reshuffles.

27. We restate the conclusions and recommendations made in our previous Report, “The impact and effectiveness of ministerial reshuffles”, and encourage the Prime Minister and his successors to improve the planning of Ministerial terms.

**Beyond Government**

28. Peter Riddell commented that too much of the debate on fixed terms had centred on Government and Parliament, and that “one of the key questions...is what is the impact [of the Act] on...constituents, both individually and business, unions, councils.”22 The Minister also emphasised the broader reach of the 2011 Act, by highlighting the benefits of fixed terms for electoral administration. She said that electoral registration, timetabling for postal and overseas votes and oversight of elections all benefitted from being brought into a fixed cycle.23 We are pleased to note that the 2011 Act has made planning easier not only for Government and Parliament, but for those whose work is to a greater or lesser extent determined by these institutions, such as electoral administrators.

**Other factors**

**Long-term policy areas**

29. Some evidence we received stated that it is not always possible, or desirable, to tie the work of Departments too closely with a fixed term. The Ministry of Defence stressed that some of its work, particularly on the National Security Strategy (NSS) and the Strategic Defence and Security Review (SDSR), cannot always be tied to the lifetime of a Parliament:

We may need to guard against frequent NSS and SDSRs being tied too closely to the electoral cycle, which could result in a rushed process. In addition, the important interactions and dependences between the NSS, SDSR and Comprehensive Spending Review are acknowledged, but the choreography required to align the overall strategy and resource needs may not always be straightforward.24
The Minister and Peter Riddell commented that this also applied to other Departments with longer-term policy horizons, particularly on issues relating to defence procurement, infrastructure projects, foreign policy, energy policy and climate change.

30. We note the evidence we have received which suggests that there are some aspects of Departments’ work that should not be aligned too closely to the electoral cycle. Policy areas such as defence, foreign affairs and energy have a much longer-term planning horizon. Alignment should not be an end itself; it should be attempted only if there are clear benefits.

31. At their regular meetings, the Permanent Secretaries should identify areas of policy or planning where greater alignment with the fixed parliamentary term would be beneficial.

Fixed terms and the Coalition

32. We received some evidence to suggest that the impact of the 2011 Act could not be separated from the political reality of the Coalition Government. Peter Riddell stated:

You cannot separate the Coalition from the Fixed-Term Parliaments Act. Political scientists would love to have to have two experiments: one with a single party Government and one with a coalition. I think some phenomena we are seeing now are to do with the Coalition. It might be very different in a majority Parliament.

33. Peter Riddell further argued that the fact there was a Coalition had diminished the potential impact of fixed terms, because questions of planning and priorities would be subject to negotiation and partnership:

I think the only benefit of the existence of the five-year Parliament is that it provides a clearer framework in which you can operate. You know when you are going to face the voters, both individually and collectively, so that enables your own planning to be a bit easier. As I say, there are countervailing factors that complicate it. It is a wonderful thing other things being equal, but they are not. We operate with a Coalition and that fundamentally alters a lot of the equation. On the whole, I think it is a plus but I don’t think one should exaggerate the plus.

His view is that a single-party Government with a majority would be much better placed to take advantage of the fixed term, particularly in respect of planning a full fifth legislative session in Parliament.
34. We appreciate that the impact of fixed terms is currently difficult to separate from the impact of Coalition Government. There may be further benefits to fixed terms under a single-party Government. However, we do think there is still scope to monitor, evaluate and embed best practice into the Departmental planning processes.

Next steps

35. There is clearly potential for Departments to share knowledge and explore the opportunities available for longer-term planning. Given that we are just over half-way through the first fixed term, we think it would be timely to hold a seminar, to explore those opportunities. We are grateful to Peter Riddell for expressing an interest in assisting us in this respect, and look forward to working with the Institute for Government on this issue.
Conclusions and recommendations

1. Financial planning is the bedrock of long-term Departmental planning; without a clear indication of spending plans, short-termism in delivery and policy formulation is bound to prevail. We call on the Government to produce a rolling five-year Spending Review, which is aligned more tightly to the fixed term, so that Departments can plan as effectively as possible. (Paragraph 18)

2. It is too early to provide a comprehensive evaluation of the impact of the Fixed-term Parliaments Act 2011, as several Departments and the Minister for Political and Constitutional Reform emphasised in their evidence to us. Nonetheless, it is clear that the greater certainty about the date of the next general election that the Act provides facilitates better strategic, financial and, above all, legislative planning by Departments. It is early days, but we are keen that Departments maximise these benefits and share best practice with one another. (Paragraph 20)

3. We recommend that, at six monthly intervals, the impact of the Fixed-term Parliaments Act 2011 on Departmental planning be added as an agenda item for discussion at the meetings of Permanent Secretaries, in order to provide an opportunity to share best practice. We ask the Cabinet Secretary to keep us informed of the date of his next meeting with the Permanent Secretaries and look forward to hearing the outcomes of that discussion. (Paragraph 21)

4. The Fixed-term Parliaments Act 2011 has provided Departments with a clearer electoral timetable, which in turn facilitates greater certainty when it comes to planning. It has also removed some political speculation, allowing Ministers and officials to focus on delivery of policy rather than short-term survival. This will also allow the Prime Minister to plan with more certainty and this should have beneficial consequences in reducing disruptive reshuffles. (Paragraph 26)

5. We restate the conclusions and recommendations made in our previous Report, “The impact and effectiveness of ministerial reshuffles”, and encourage the Prime Minister and his successors to improve the planning of Ministerial terms. (Paragraph 27)

6. We are pleased to note that the 2011 Act has made planning easier not only for Government and Parliament, but for those whose work is to a greater or lesser extent determined by these institutions, such as electoral administrators. (Paragraph 28)

7. We note the evidence we have received which suggests that there are some aspects of Departments’ work that should not be aligned too closely to the electoral cycle. Policy areas such as defence, foreign affairs and energy have a much longer-term planning horizon. Alignment should not be an end itself; it should be attempted only if there are clear benefits. (Paragraph 30)

8. At their regular meetings, the Permanent Secretaries should identify areas of policy or planning where greater alignment with the fixed parliamentary term would be beneficial. (Paragraph 31)
9. We appreciate that the impact of fixed terms is currently difficult to separate from the impact of Coalition Government. There may be further benefits to fixed terms under a single-party Government. However, we do think there is still scope to monitor, evaluate and embed best practice into the Departmental planning processes. (Paragraph 34)

10. There is clearly potential for Departments to share knowledge and explore the opportunities available for longer-term planning. Given that we are just over halfway through the first fixed term, we think it would be timely to hold a seminar, to explore those opportunities. We are grateful to Peter Riddell for expressing an interest in assisting us in this respect, and look forward to working with the Institute for Government on this issue. (Paragraph 35)
Formal Minutes

Thursday 18 July 2013

Members present:

Mr Graham Allen, in the Chair

Mr Christopher Chope
Sheila Gilmore
Paul Flynn
Andrew Turner

Draft Report (The role and powers of the Prime Minister: The impact of the Fixed-term Parliaments Act 2011 on Government), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 35 read and agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Thursday 18 July at 1.45 pm]
Witnesses

Thursday 20 June 2013

Rt Hon Peter Riddell CBE, Director, Institute for Government  
Miss Chloe Smith MP, Minister for Political and Constitutional Reform, Cabinet Office

(Oral evidence starts at Q209, this is because the previous oral evidence sessions on Role and powers of the Prime Minister were published as daily parts; they are available on the Committee’s website.)

List of written evidence

(published in Volume II on the Committee’s website www.parliament.uk/pcrc)

1 Letter from the Chair to all Permanent Secretaries  
2 Philip Rutnam, Permanent Secretary, Department for Transport  
3 Jon Thompson, Permanent Secretary, Ministry of Defence  
4 Una O’Brien CB, Permanent Secretary, Department of Health  
5 Simon Fraser CMG, Permanent Under-Secretary, Foreign & Commonwealth Office  
6 Bronwyn Hill CBE, Perm. Secretary, Dept for Environment, Food and Rural Affairs  
7 Sir Nicholas Macpherson, Permanent Secretary, HM Treasury  
8 Martin Donnelly CMG, Perm. Secretary, Dept for Business, Innovation & Skills  
9 Dame Ursula Brennan DCB, Permanent Secretary, Ministry of Justice  
10 Richard Heaton CB, Perm. Secretary & First Parliamentary Counsel, Cabinet Office  
11 Helen Kilpatrick, Acting Permanent Secretary, Home Office  
12 Mark Lowcock CB, Permanent Secretary, Dept for International Development  
13 Rt Hon Lord Wallace of Tankerness QC, Advocate General for Scotland  
14 Chris Wormald, Permanent Secretary, Department for Education  
15 Stephen Lovegrove, Permanent Secretary, Dept of Energy & Climate Change  
16 Sir Bob Kerslake, Permanent Secretary, Department for Communities & Local Gov  
17 Jonathan Stephens, Permanent Secretary, Dept for Culture, Media & Sport  
18 Robert Devereux, Permanent Secretary, Department for Work and Pensions
## List of Reports from the Committee during the current Parliament

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

### Session 2010–12

| First Report | Parliamentary Voting System and Constituencies Bill | HC 422 |
| Second Report | Fixed-term Parliaments Bill | HC 436 (Cm 7951) |
| Third Report | Parliamentary Voting System and Constituencies Bill | HC 437 (Cm 7997) |
| Fourth Report | Lessons from the process of Government formation after the 2010 General Election | HC 528 (HC 866) |
| Fifth Report | Voting by convicted prisoners: Summary of evidence | HC 776 |
| Sixth Report | Constitutional implications of the Cabinet Manual | HC 734 (Cm 8213) |
| Seventh Report | Seminar on the House of Lords: Outcomes | HC 961 |
| Eighth Report | Parliament’s role in conflict decisions | HC 923 (HC 1477) |
| Ninth Report | Parliament’s role in conflict decisions: Government Response to the Committee’s Eighth Report of Session 2010-12 | HC 1477 (HC 1673) |
| Tenth Report | Individual Electoral Registration and Electoral Administration | HC 1463 (Cm 8177) |
| Eleventh Report | Rules of Royal Succession | HC 1615 (HC 586) |
| Twelfth Report | Parliament’s role in conflict decisions—further Government Response: Government Response to the Committee’s Ninth Report of Session 2010-12 | HC 1673 |
| Thirteenth Report | Political party finance | HC 1763 |

### Session 2012–13

| First Report | Recall of MPs | HC 373 (HC 646) |
| Second Report | Introducing a statutory register of lobbyists | HC 153 |
| Third Report | Prospects for codifying the relationship between central and local government | HC 656(Cm 8623) |
| Fourth Report | Do we need a constitutional convention for the UK? | HC 371 |

### Session 2013–14

| First Report | Ensuring standards in the quality of legislation | HC 85 |
| Second Report | The impact and effectiveness of ministerial reshuffles | HC 255 |
| Third Report | Revisiting Rebuilding the House: the impact of the Wright reforms | HC 82 |
Thursday 20 June 2013

Members present:

Mr Graham Allen (Chair)
Sheila Gilmore
Fabian Hamilton
Mrs Eleanor Laing
Stephen Williams

Examination of Witness

Witness: Rt Hon Peter Riddell CBE, Director, Institute for Government, gave evidence.

Q209 Chair: So, Peter, let’s kick off. Would you like to make some sort of opening statement?

Peter Riddell: Yes, just terribly briefly, in the light of some of the earlier evidence. The first thing I would like to say is—as your earlier witnesses have said—it is too early to reach any conclusions for obvious reasons. We will see over the next 23 months. The second point is that the focus is very much on the impact on Parliament and Government. Again it is probably too early to say, but I think one of the key questions we have to ask is what the impact is on your constituents, both individually and businesses, unions, councils. I think there are some interesting questions there.

The third point is it is not just legislation. When one looks at this question you also have to look at the spending review, business plans and other planning cycles of Government.

The fourth point, briefly, is you have to really answer almost any question—and I am sure others will be saying this—in the light of the Coalition. You cannot separate the Coalition from the Fixed-Term Parliaments Act. Political scientists would love to have two experiments: one with a single party Government and one with a coalition. I think some of the phenomena we are seeing now are to do with the Coalition. It might be very different in a majority Parliament.

The final point I would like to make is on certainty. A lot of the evidence has said it increases certainty. Well, in practice, if you look back to what Prime Ministers have done when they did have the discretion, apart from, say, in 1964 or 1974 when they didn’t have a working majority, it is clear that if the polls were looking good they went out to four years. If they were in trouble, they went out to five years. This is absolutely invariable. The two Thatcher’s victories in 1983 and 1987, it was four years, then trouble. There was the handover to Major; it ran to five years in 1992. Major, five years when he went down as a big defeat. Exactly the same under Tony Blair: four years between 2001 and 2005, and then, when Labour was in deep trouble, five years. So one can be slightly sceptical about the degree of surprise. We might not know exactly what week, what month, and it may not be certain, but it is not unpredictable.

Q210 Fabian Hamilton: As you said, we are now over halfway through this Parliament. Do you think that the Fixed-Term Parliaments Act has had any impact on our day-to-day business and the day-to-day running, of course, of Government Departments?

Peter Riddell: I think it has. The procedures for overriding the Act are quite substantial and there are some quite big implications for the cohesion of the Coalition as a result of that. I think that it has had an impact because people can say with a reasonable degree of certainty—obviously not 100% because there is the override—“We have until then”, probably a year longer than in average Parliaments. This might well have been a five-year one anyway, given the polls. It might have fallen into that pattern so it may not have made a practical difference. It does give an ability for the civil service and for Government agencies to say, quite properly, “We are now working on a five-year timescale” rather than exercising a slight bit of guesswork and a bit of fudge, as they would do. So I think it has had that impact. How much that really matters, one has to again factor the Coalition into it. I think we are now entering a period, say, legislatively, where it is quite clear there is a bit of stalemate between the Coalition partners on really controversial stuff. Will it make any difference in the legislation this Session and next Session, which looks much less controversial than it was in the long two-year first Session? One has to be careful, but, no, it does have an impact on the planning horizons.

Q211 Fabian Hamilton: Do you think, though, Peter, that a future majority Government, of whatever party, is likely to repeal this Act or is it fixed for good now?

Peter Riddell: They would have to find a reason to do so. They could not just say, “We have a majority of 60 and, as a new Prime Minister, I want to have my flexibility”. I think they would have to find a good reason to do so. It is quite difficult, particularly as it is statutory. Some things you can change by whim. Even some amendments you are frightened to look to change. I think because it is statutory you would have some persuasion. There might be pressure to reduce from five to four years, that I can see happening. But it is quite a difficult one to say you want to change. It also heavily depends on what happens after the next election and whether there are coalition problems, if it is shown to be too inflexible in relation to coalition or minority Governments.

Q212 Fabian Hamilton: You cannot see the Chartists’ demand for annual Parliaments ever coming about.

Peter Riddell: No.
Q213 Fabian Hamilton: Anyway, that is a rhetorical question. Are there some Departments that are better placed to take advantage of the certainty of a fixed five-year Parliament than others, do you think? Peter Riddell: I saw the evidence of the Permanent Secretaries to you, which is very proper and all well set out. I think, yes, it does offer an advantage, because some of you could argue planning horizons are way beyond a single Parliament in what they do and some are operating in areas of less political contention. For example, if you look at the Foreign Office, which has quite a good planning framework, it is a very well-managed Department and manages to do things pretty well, or DFID, a lot of its work is on time horizons longer term than a single Parliament. The difficulties arise in some of the social policy Departments, where the policies are intensely controversial. I think the five years in their terms helps them, because the big legislation is passed in the first two years and then they have two or three years to implement it. It is arguable whether that will be long enough. Universal credit is the obvious one there. The Act is less relevant for some Departments than others and some were able to tie in legislative change to implementation. I am not necessarily sure in every case it is going to be a smooth process. The argument I get from the Permanent Secretaries is, “Look, we passed the XYZ Act in 2011. We know we have a certain time when we have to show some results from it”. That helps them in their planning in relation to their structural reform plans and all that stuff. So that helps with some—more the social policy Departments. It is less relevant in a way to those also who are operating with bodies outside the UK. To some extent I am thinking about DECC, because there is a limited amount you can do on climate change nationally. Similarly, DFID and so on are operating on very different time horizons.

Q214 Fabian Hamilton: Given the certainty now about how long a Parliament is going to last, what changes would you have expected Government to make in the way it operates, if any? Peter Riddell: Again, you come back to the Coalition point, that this is a single mandate Government operating for five years, they would have been able to have substantive legislative programmes for longer than I think is possible under the Coalition. I know Andrew Lansley would say he has a busy programme this year, but it is not quite as controversial as it might have been because of Coalition reasons. We all know that the final Session of Parliament is not going to be the most controversial or busy, in legislative terms, because people want to be back in their constituencies and so on. I think what has happened is that, because of the Coalition, the period of slightly less controversy on legislation has started a bit earlier. That is because of the Coalition. That has made a difference. On other aspects, as I say, it has enabled a clearer plan between where you need legislative change and your execution, your implementation plans.

Q215 Fabian Hamilton: I know your organisation has been monitoring departmental performance against a Department’s business plans on a regular basis. Do you think that the departmental business plan is a useful exercise for Government Departments? Peter Riddell: I think it is a useful one provided you put it in context. One of the most important things that happens in Government are spending reviews and spending plans, basically. It is not to say that next week’s one will be the most important because it only covers one year, and that raises a very interesting issue about what happens at the end of a Parliament, which I think would be worth discussing. They are quite a useful exercise because they force people to think. One shouldn’t build them up too much; there is a danger of being too technocratic about it. They are quite useful in working out priorities. The danger is once you get beyond five or six priorities you know you are into a woolly world. Anyone who has more than five priorities doesn’t have priorities.

The interesting thing is the correlation—and you mentioned the work my colleague Justine Stephen has done on all this—between the business plans, which cover everything in a Department, and the structural reform plans, where that is what they now call milestones. Targets are out; it is milestones by which certain things should be completed. The monitoring of that has been very interesting. That has shown that getting on for three-quarters are met. Of the quarter that are not met, some are just subject to delay and some, about 13% I think on the latest calculations, were missed entirely. The trouble is that only refers to some of the reform areas. It doesn’t refer to the whole work of a Department. Also, there is a kind of disproportionality. One bit of reform in the appraisal is counted as exactly the same worth as another bit of reform when, in fact, for example, universal credit is not fully part of it. There are quite a lot of things that your constituents would regard as the most important things affecting them, which are not in the plans. However, it is quite a useful exercise. I have discussed transparency with the people in the Cabinet Office. The transparency is really good, and I think we can now make judgments in a way we were not able to in the past. The Fixed-Term Parliaments Act does give a timetable for that and I think it is quite a useful one. If you talk to Permanent Secretaries—and they are on their best behaviour in their submissions to you—some of them will be slightly more sceptical than others about it. There are aspects of gaming it and adopting the “We held a conference; therefore, we met some milestones” rubbish. None the less, it is quite useful for observing what is happening in Government. It is better than not having a target, provided you don’t treat it as the absolute only measure, and we don’t. In fact, we are producing a big report, I hope next month, looking at the input, output and outcome indicators, a kind of annual report—the anatomy of Whitehall—of which these issues will be the central part.

Q216 Fabian Hamilton: Do you think that these business plans have interacted properly—if that is the correct phrase—with the fixed-term Parliament? Presumably they have taken account of the fact that you know exactly when the next general election is going to be.
Peter Riddell: They have. Indeed, there is going to be a refresh of the structural reform plans coming quite soon, which in a sense is the key operating thing. That refresh will go up to May 2015; they do work on that basis. Before coming here I happened to see a couple of Permanent Secretaries on other business, so I talked to them about it. There was a bit of scepticism, but it is a useful translation of Ministerial priorities into resource allocation, particularly at a time when resources have been cut very substantially in the central working of Government Departments, so it is quite useful in its way.

There is a very interesting issue that is related to the Coalition. I can’t remember if it was Chris Wormald, or one of the other Permanent Secretaries, who said it is “the dropping off the cliff” problem. You have your targets up to May 2015 and then the world ends, and then something completely unknown happens afterwards. With a single party Government it is much easier to do that, because they can plan ahead. All right, it is partly a fiction. To the Chairman’s chagrin, I remember the long discussions on written constituencies held in February 2010 that were slightly fictitious. I will bear me out on that.

At present one of the problems for the Coalition is that, understandably, there is a reluctance to plan much beyond 2015 because who knows who is going to be in Government. All right, we have to have a spending plan, which will be announced next Wednesday, for that period because otherwise Government cannot properly function. But on the business plans and so on the civil service say, “We don’t know who we are going to be dealing with”. With a single party Government it is easier, and it is one of the complexities that have to be thought about. It is a broader issue, which we are addressing at the Institute, namely: how do you work the pre-election period with a coalition? Some big, big challenges are raised by that. There is a real danger that, come 2015, people will say, “Okay, what now?” It will be messy, I am afraid.

Q217 Fabian Hamilton: Have these business plans made Government or Parliament more accountable?

Peter Riddell: At the Institute for Government we claim to have a high proportion of the people who look at the business plans. Those plans have been raised in the relative departmental Select Committees a bit, but they have not exactly caught the public imagination. I have very seldom seen them raised at departmental questions, say. I think that there is still an opacity of language and, of course, there are refreshers, which is perfectly legitimate. You want to revise them and see where you are. As I say, we are the one body—because I happen to have a particularly good person on it—that analyses them regularly. I don’t think the Opposition parties and Select Committees use them enough.

Q218 Fabian Hamilton: My final question: do you think a fixed-term Parliament makes it easier for Parliament to hold Government to account, or does it not make any difference?

Peter Riddell: I think compared with other changes in the behaviour of Back Benchers, the changes to Select Committees, the election of chairs and the different ways the parties elect their members is actually much more significant. You are always going to have problems at the end of Parliaments for Select Committees because Members go off to their constituencies. You have turnover of Members. That is a broader problem. The problem we had in 2010 was that you had lots of bright young Tories and a few Lib Dems who were made PPSs and, on the Labour side, people were being shoved into shadow jobs—I have separate views on that—but I think there is always a problem at the end of a Parliament. The new arrangement may give you a bit better idea of when that is going to be, but as I said at the beginning, in most cases people actually know when an election is going to be. However, fixed term enables it to be more formally predictable.

Q219 Chair: Peter, just to pick up your last point, really. Whether people take the opportunity to do it or not, it is easier to set your stall out as a Select Committee when you know there is going to be a five-year term. There are certain things that you can do in more measured, more heavier weight things. The drive to do it while you can because there may be an election is obviously lessened. How much of this is actually educating people in Parliament, educating people in Whitehall and educating the Ministerial class to understand the opportunities that now exist with a five-year possibility? One always hears this phrase, “Will you adhere to the spending plans for the next term?” It may be even easier to plan a 10-year programme, which might be a little more consensual than otherwise.

Peter Riddell: Yes. On the spending thing, I think it is the existence of the Coalition that has made the spending issues more difficult, not the fixed-term Parliament as such. If we had had a majority Government, we would have had a full-scale spending review this year, stretching ahead to the first two to three years of the next Parliament rather than a one-year one. It is perfectly and absolutely understandable why it is only one year because of the politics of it. Everyone knows in Whitehall and anywhere else that immediately after the election there will be a real biggie spending review, as there was in 2010. There is an element of fiction about what is going to be announced next week. People are staking out their positions for the future. It is entirely predictable that George Osborne will announce the figure he said would be in the envelope, but there are questions about how he will do it and how robust the figures are. But if you had had a single party Government, unless it was in real deep political or internal controversy—as the last Government was where, essentially, there was no agreement between the Chancellor and the Prime Minister on a lot of the way ahead—you would have had a longer spending review.

Q220 Chair: The education?

Peter Riddell: I think we are all being educated. It goes back to an issue that has run through a lot of your work for the last three years. We are all in new territory and it is a constant process of education.
Some are happier being educated than others. Some believe that the absence of an overall majority was an aberration, a one-off of the electoral system. We will have to see. Throughout the Institute’s work, I find it is an education. There are lots of problems, and things that looked smooth in 2010 don’t look so smooth now. Certainly, there are now aspects of the Coalition Agreement that people would say you would have negotiated differently; you would have involved more people in it; you would not have rushed it so much. There are things about Parliament that, as I say, coincided with the changes in the committee system, so it is difficult to disentangle one from the other. I think we are all in the process of education. The committees have a good role in it. If you drew up a hierarchy, you would argue that, we are only two-thirds of the way through—one definite plus would be what has happened on the Select Committees. That is not because of the Fixed-Term Parliaments Act at all. It is because of the post-Wright reform changes.

Q221 Chair: Of course, if you know that you have a five-year term—whether that is as a Member of Parliament or in this case, let us say, as a Select Committee—finding time within that five years to look at spending plans, the business plan and other key documents, could become part of the work that every Select Committee does. Then we are starting to get much closer to looking at supply and expenditure decisions than ever in the past.

Peter Riddell: They should be doing that anyway. Under the core tasks, reading the Liaison Committee reports and so on, they should be doing that. Some of them do, some don’t. A Select Committee absolutely should be doing that and obviously it should be the forum. It does not really apply to this Committee because of the nature of your remit. They absolutely should be and I think it should be fundamental. This is also to do with resourcing the Select Committees, too, where the analytical work can be done.

Q222 Chair: Although our oversight would be of a very small budget, nonetheless we do intend to do that in our work programme. The fact that it is five years means that I can fit that in.

Peter Riddell: With what you are looking at, there would be the shifting around of resources in the constitutional part of the Cabinet Office, fairly obviously, as a result of what happened on the House of Lords and Scotland and so on.

Q223 Chair: Peter, do you feel that it is quite strange looking back to a point when one elected political figure could decide when to call a general election? Now I view this in a very different context. At one level it seems quite quaint, but at another level in those days perhaps quite dangerous that one person should decide this. Do you think we are in a new era?

Peter Riddell: I think we are in a new era, but again it comes back to your education point. It is an untested era. We really don’t know how it is going to work out, as I say, the difference between a coalition and a majority Government. Although, interestingly enough, if you look at the cases—because for a Prime Minister it is a life or death decision for their futures, if they get it wrong, on the whole they are out—they consulted and on the whole they dithered. One of the interesting aspects of Margaret Thatcher’s premiership is, even when she was absolutely certain to win an election by a massive amount, she dithered and had to be persuaded. Charles Moore has not got on to that in his biography yet. With the 1983 election, the result of which the bookies had retired way before it even started, there was a bit of a sleight of hand on her consultations. She had a meeting at Chequers on Sunday and she said, “I’m not sure about this”. The party chairman, Cecil Parkinson, and others were saying, “Of course you have to go, it is blindly obvious”. The following morning she said, “I really have to think about this”. What they had arranged was for her private secretary to ring the Palace and arrange an interview with the Queen to seek permission, so they bounced her. It was ridiculous. On the whole Prime Ministers do consult, but, you are right, in prerogative terms, there is a sole power. Of course, the classic was Callaghan in 1978 when he startled most of the Cabinet by not going for an autumn 1978 election. In most cases, they do consult because they know, although again you might say the same about Gordon Brown in 2007, too.

Q224 Chair: Then, slightly mischiefmously perhaps, there are those who think it is wonderful that in a democracy one person can decide when a general election takes place. Just putting yourself in their shoes for a moment, do you think that that is such a good system? That we should try it, and let council leaders decide when the council is elected or mayors, perhaps even the current Mayor of London decide? Would it be a good experiment for Mr Salmond in Scotland or Mr Robinson in Northern Ireland or Mr Jones in Wales to decide when they felt that an election would be pretty handy for them?

Peter Riddell: You have made your point. I’ll tell you what, the real test will come if the override mechanisms are tested and how that works out. We don’t know. This is where it is all so fascinating. If the override mechanisms got tested, then we would see what happened, whether it was engineered artificially, as it sometimes has been in Germany where there has been a constructive vote of no confidence to engineer an early election. We would have to see. However, I think there are checks and balances. That is why just a simple vote by the majority party to call an election would be a phoney in a way, because if they had a majority they had a majority. It is much more interesting now.

Q225 Chair: I wonder what would happen to President Obama or President Hollande if they were to decide tomorrow that it was in their interests to have an election. Presumably, they would be either taken away in a straitjacket or off to the nearest clinic.

Peter Riddell: Of course, they have written constitutions.

Chair: I forgot about that.

Peter Riddell: Also there are checks and balances in the States, of course.
Q226 Sheila Gilmore: There have been some questions about the effect on Departments, but in a wider sense has a fixed-term Parliament made it easier or not to hold Government to account?

Peter Riddell: Of itself, it isn’t substantially different. You have to factor in other changes that I think have increased the ability to hold account, like changes to Select Committees, greater transparency, the points Mr Hamilton was raising about business plans and structural reform plans, which, properly used, do give a greater opportunity to hold Government to account. There have been significant gains in transparency under the Coalition. I think the more assertive role of some Select Committees helps.

I think the only benefit of the existence of the five-year Parliament is that it provides a clearer framework in which you can operate. You know when you are going to face the voters, both individually and collectively, so that enables your own planning to be a bit easier. As I say, there are countervailing factors that complicate it. It is a wonderful thing other things being equal, but they are not. We operate with a Coalition and that fundamentally alters a lot of the equation. On the whole, I think it is a plus but I don’t think one should exaggerate the plus.

Q227 Sheila Gilmore: The Ministry of Defence suggested that there are certain types of work that cannot be aligned to electoral structures. They mentioned the National Security Strategy, the Strategic Defence and Security Review. Are there any other examples of that?

Peter Riddell: A lot of it is to do with the timescale they do their equipment orders on. They got themselves in a considerable mess a few years ago when resource commitments were totally out of sync and the saga of the last few years has been trying to bring them back into line. The programmes that take an awful long time to come to fruition are classic examples of when you cannot operate in that framework. In other cases, universal credit is a very interesting example where we will not really know the outcome. We will see a lot of teething problems and other problems, but we won’t be really able to reach a verdict within five years. I think an assessment over a verdict within five years. I think an assessment over five years is quite a long time. Interestingly enough, the view of a lot of Permanent Secretaries is they like the five years, mainly because—going back to the question you have just asked—it gives them longer to see a new policy introduced and see how it is working out. So a new Government coming in can take a proper appraisal of it and the public can and so on.

Four years means quite a hurried time. On balance I would go for five years, but there are quite powerful arguments for four.

Q228 Sheila Gilmore: Is there any substantial difference between four and five, for example?

Peter Riddell: Going back to the Chairman’s last point, he was mentioning the States, which did have long debates in 1787—rather surprisingly, neither the Chairman nor I were there; I am sure we would’ve liked to have been—over how long the President’s term should be, whether it should be four or six years.

There were similar quite lengthy debates about the Senate. We are unusual in having five years, very unusual. The Australians work on a three-year cycle. I think they are about to have their election in a couple of months’ time. I think three years is probably too short. I think the balance is between four and five. If the Act is reviewed that is what it may come down to after the next election. We will just have to see. Five years is quite a long time. Interestingly enough, the view of a lot of Permanent Secretaries is they like quite the five years, mainly because—going back to the question you have just asked—it gives them longer to see a new policy introduced and see how it is working out. So a new Government coming in can take a proper appraisal of it and the public can and so on. Four years means quite a hurried time. On balance I would go for five years, but there are quite powerful arguments for four.

Q229 Sheila Gilmore: Given that this is not just about administration but it is about politics, is there a risk that perhaps what we are already into is simply a long, long election campaign? The focus for politicians is going to be increasingly that we are less than two years now from an election, which in electoral terms is getting quite short.

Peter Riddell: I have never found you and your colleagues ever that far from the electorate, not just because of you but because of other elections going on. We are having councils elected. Next year we have the European Parliamentary elections. As a Londoner we have borough elections next year, as well as the European elections, and occasional by-elections. People are never that far from the electorate.

I agree with your analysis. My sense is that the pre-election phase has started earlier. Quite a bit of that is to do with the tensions and dynamics of the Coalition. If you had a single party Government with a secure position, would it have occurred so early? I am not so sure. I think it is a lot to do with the particular political circumstance, but you can argue it both ways on that. I agree with you, the pre-election period has started. I know that one of the views expressed when you had your original inquiry into the Act was it just pushes back the period by a year, and you can rightly say, as you do, “Well, it has actually started now, two years out”. I think that is more to do with the Coalition. If you had a single party in Government it might have been different.
Q230 Sheila Gilmore: On the one hand, if fixed-term Parliaments create greater certainties for Departments, what are the principal sources of uncertainty for them?

Peter Riddell: The uncertainties are again heavily determined by the Coalition. The whole of Whitehall and Westminster have been used to operating in a rather simple binary way, or more or less binary way. There are two Opposition parties and a single Government, whatever it may be. Changing their behaviour and thinking pattern is very difficult. The uncertainty is not knowing what the combination is going to be in two years’ time in Government, whether it is going to be a single party Government or whether it is another coalition or minority Government; you pay your money. As I said earlier, if you had had a single party Government you probably would have had a spending review lasting well into the next Parliament, perfectly plausibly. Because of the Coalition that is much more difficult to do. There is this cliff face thing that while you have clarity up to the five years after this there is nothing. There are dangers but they are created by the Coalition, not by the Fixed-Term Parliaments Act. One has to be careful what is causing one and the other. While there is greater predictability as a result of the Act, there are also countervailing factors for other reasons, as well as the fiscal environment, which is leading to a continual round of cuts, spending reductions and so on. As I say, coming back to the spending review, having talked around Departments, the significant factor is that they are moaning and groaning about 2015–16. The real debate going on in Whitehall is about what happens between 2015 and 2020. That is where thoughts are beginning and that is the debate, and we are involved in this quite heavily at the Institute for Government. That is where the big debates are, but it is harder to debate that now, and certainly harder for the politicians.

Q231 Sheila Gilmore: Do you have plans to continue to review the impact of fixed terms, and is anybody else doing any detailed work on this at the moment?

Peter Riddell: Absolutely. It is part of our general governance strand of work and we will be looking at that. That is one bit of the jigsaw. The other bit is the Coalition. The other bit is the fiscal environment and the reshaping of Whitehall. The other element, which is touched on in the report you produced last week on reshuffles and training of Ministers—where I much appreciate what was said about the Institute for Government and the big task you have set us—is preparing for a transition and, whatever combination are in Government after 2015, so that they are better prepared than they have been in the past. So all those frames come together. Indeed, I have just had a plan go through internally and approved by my board for what we are going to do between now and the election. Fixed-term Parliaments will be a big aspect of it. We will be looking at it as it evolves, as experience evolves. It comes back to the education point.

Q232 Chair: Peter, a few people in politics in particular, but also it applies to Whitehall, are criticised for their short-termism, their response to the media, the fact they are reactive, or the Minister feels embarrassed. I am sure some of us might have made those points about lobbying had the debate not been cancelled yesterday, although we are still waiting for a response from to the Government one year later, having produced our report on that. Having got that on the record, the central point is about short-termism versus long-termism. If we are to invest effectively in this country, if we are to plan ahead, if we are to recruit the right people to the civil service, isn’t it absolutely essential that we adopt common, sensible business practices that are used in virtually every other political organisation and have that certainty of a fixed five-year term?

Peter Riddell: We did an interesting project at the end of last year on lessons of the Olympics—not in relation to British performance or anything like that, but entirely as a big project, what did it work? We had a lot of help. We talked to the ODA, DCMS, all the relevant big players. What emerged out of that was it was crucial, once the political decision had been taken, once the Treasury was on board, which took a bit of time, that the delivery was ring-fenced. The people concerned with delivery were told, “Get on with it and do it”. There was also cross-party agreement. A cross-party agreement was very successfully engendered by Tessa Jowell and then Jeremy Hunt and Hugh Robertson. That was very effective and very important in relation to doing it. In my view, such cross-party agreement would be terribly desirable on really big projects. One can overdo consensus and bipartisanship, and there is the danger that that results in inadequate accountability and everyone is fuzzy about it, but retaining proper questioning and accountability, which did occur in the Olympics both with the DCMS Committee and the PAC, means the implementation is slightly detached from the immediate political process. That is not to say that there isn’t questioning, but that there is an agreement that allows you to do it in the long term rather than chopping and changing. I think there are key issues there. If you are talking about the really long-term projects, there is a sense that, of course, there is going to be questioning and challenging, and so there ought to be. Parliament has a big role in doing that, but there needs to be agreement to create an environment where something that lasts longer than a Parliament—to go back to Sheila Gilmore’s point—can be delivered. I think there are big challenges there.

The Fixed-Term Parliaments Act gives a little bit of help at the margin. I counteract it by saying that we all live in the world of Twitter. There is a wonderful paradox here that, just at the time the Fixed-Term Parliaments Act was going to produce certainty, the pressures on the absolute short-termism produced by Twitter, which has had a really substantial political effect—I mean a really, really big one—operates totally and utterly in the other direction, so one has to balance that.
Q233 Chair: One more from me, and then I will ask Stephen just to wind up for us. Sir Jeremy Heywood came before us and stated that the Permanent Secretaries’ regular weekly meeting had not yet had a session where they considered the impact of a five-year Parliament. I am currently doing a little tour of Permanent Secretaries talking to them about this issue. Peter, when Sir Jeremy has had that meeting, would you consider doing something with this Select Committee, in a slightly broader forum than Permanent Secretaries, to open up some other options on the possibilities arising from the potential of a five-year Parliament?

Peter Riddell: Absolutely. I would be delighted to do so. Obviously, we would pursue what the right forum would be for it and whether it would be public or private. I thought the responses you got from the Permanent Secretaries are interesting, but they bring home the fact that it is one factor among many influencing the environment they are in. All the time they have to balance it against the fiscal environment, business plans, political priorities. I think their responses are very interesting and also vary, as we said, between Departments depending on their planning horizons. Certainly, I would be happy to discuss that with you.

Q234 Chair: In a deeply uncertain world, it would make sense to remove one uncertainty by having a sense of stability around the term of a Parliament.

Peter Riddell: Yes. As I have said throughout, in order to judge it, we cannot have a laboratory experiment with how it compares with other things. But undoubtedly it is one element.

Q235 Stephen Williams: Just to ask Peter a question about where he spent most of his career, in the world of journalism, because we have concentrated on Parliaments, Government, civil service. What about the commentariat? Do you think it has changed in any way how your former professional colleagues report the commentariat? Do you think it has changed in any way with how it compares with other things. But undoubtedly it is one element.

Peter Riddell: It is almost exactly three years since I ceased to be a journalist and I have not observed any change in behaviour at all. If anything, my last point is that everything has gone in the other direction. For journalists, elections are an interesting phenomenon: a nice chance to travel the country and they are a kind of five-week-long variant in lives. There is a parallel between civil servants and journalists because, whatever happens to you lot, the journalists and the civil servants are there at the end of the day. For them, it is an interlude. For my old colleagues it is an interlude. I have not observed the slightest difference on that at all. Speculation over leadership changes, speculation over reshuffles—it is all the same as ever. I don’t see any difference in that at all.

Q236 Stephen Williams: The point I was getting at is whether the fact that they cannot speculate about when the election is going to be called has increased the stability of the Coalition and the political process. If that Fixed-Term Parliaments Act had not been passed in 2011, I bet now we would be in the middle of a frenzy of speculation whether the Coalition is going to break up and there is going to be an election later this year or early next year.

Peter Riddell: Sorry, I had not fully taken your point on that. I thought you were referring more to the behaviour and everything of my ex-colleagues. In terms of one source of speculation, you are dead right. It is unquestionably true that if you had not had the Fixed-Term Parliaments Act, there would be speculation about the Coalition and pressures on the Coalition, so you are absolutely right, I totally agree with you there. It doesn’t stop plenty of other speculation of all kinds, shapes, descriptions—just look at the morning papers, with a Boris in every imaginable aspect. No, you are right on that, and this is one reason why the Act was passed, because without it, it would have been much, much more difficult for the constituent parties, both your party and the Conservative Party. There would be a lot more pressures pulling the Coalition apart and that would have increased press speculation. You are dead right on that. I totally agree with you. My response was in the terms of what we have discussed earlier, and in that context there has been no impact at all really.

Q237 Chair: Going beyond the Coalition, Peter, going back to certainly the last three or four Governments, three years after a general election in a one-party Government, by now there would have been enormous amounts of speculation about when an election might take place. That has been removed. In that sense, it is not just about the impact on the political class in terms of being able to get on and do the job, but also the sense that the civil service is not almost in a state of destabilisation wondering, in fact, whether they are going to get the policy through in the next two or three months or it may fall. That is surely a big advantage when planning a programme for a Government.

Peter Riddell: I agree with that. That is a big plus. As I said at the beginning, in practice, while there has been uncertainty it does not mean unpredictability. In the examples I gave, Governments ahead or in a strong position in the polls have gone for four years invariably. Governments in trouble or where there has been a change of leader have gone for five years. While it hasn’t been certain in the statutory sense, it has been pretty predictable and people have worked on that basis, which is not to deny the gain from the Act. What I am saying is one can exaggerate the degree of uncertainty in the past. In practice, people had a pretty good idea. It did not stop the speculation and, of course, you are right on that. There was more speculation, you are absolutely correct on that. That impinges not only on the civil service but also on business and their planning to do with Government, on councils and all that. You are right on that, but it wasn’t quite an arbitrary process in the past.

Q238 Chair: That is fascinating. I am tempted to pursue that because when you are there it does not feel like that. You feel you are being pressured. You feel there is speculation. In a sense what you are saying, Peter, is the pressure mounts so strongly on...
those Governments that they can’t do anything but bail out after four years. Historically, it looks like they have all bailed out after four years. There is no magic about that. It was a result of speculation and pressure, which obviously is totally absent if you know you have a fixed term.

**Peter Riddell:** Yes, but I have not used “bail out”.

**Chair:** May I just finish my question by saying, therefore, that does not apply if you are a council leader. It does not apply if you are a mayor. It does not apply if you are a president. You don’t have to put up with that in the middle of your term. You know you are going to go for five years, so do everybody else. So they don’t even bother with all that destabilising talk and the diversion of very important people’s time, who are meant to be running the country, to knock down things about election speculation.

**Peter Riddell:** I agree entirely. All I was talking about was the difference between uncertainty and predictability, I take your point on pressure. When you say “bail out”, political leaders—this is your argument against it, actually—have not bailed out. They have taken the maximum point of advantage to win the following election and, on the whole, those who have done it after four years have got a working majority. It may be smaller but it is normally a working majority. That is the calculation, but I think you have a fair point there. Is this desirable? It is a further element of speculation. There is a particular aspect Mr Williams raised about the Coalition. All those are plus points, but it goes back to my central theme of all my answers: it is an important factor but there are other factors, too, which play into what has happened since 2010, like the Coalition, like the fiscal situation and so on.

**Q239 Chair:** Peter, thank you very much. It is a great pleasure to see you. On behalf of the Committee, may I continue to offer our thanks for the work that you and your organisation have been doing? Hopefully, we have just put a line to the future of something that we may do together, obviously with the consent of—

**Peter Riddell:** No, absolutely. At any stage we are absolutely delighted to do so at the Institute.

**Chair:** Thank you, Peter.

---

**Examination of Witness**

**Witness:** Miss Chloe Smith MP, Minister for Political and Constitutional Reform, Cabinet Office, gave evidence.

**Q240 Chair:** I am so sorry to have kept you five minutes. I hope that was not too inconvenient. We were racing along with Peter there.

**Miss Smith:** Not at all. It was great to get a bit of Peter’s expertise at the tail end of his session.

**Chair:** Did you want to say anything to start us off, Chloe?

**Miss Smith:** If I may I will. I do welcome this inquiry. I suspect we will often be in great agreement about the benefits of fixed terms and I look forward to going into the detail with you.

**Chair:** Thank you so much. You probably know we are also seeing each of the Permanent Secretaries in turn, but not in Committee, I don’t think the Members would tolerate that. They have sent me off to see them for 15 minutes or so each and garner their views. Sir Jeremy Heywood, who was in front of us on another matter, mentioned that he was going to convene a meeting of the Permanent Secretaries and discuss this agenda and how the five-year term is affecting their planning. So, some small, helpful developments already.

**Q241 Stephen Williams:** Chloe, you have been a whip, a Treasury Minister and now you are in the Cabinet Office, and in all three of those roles potentially your tentacles reach out further than the job description implies, so that gives you something of an advantage. Do you think a fixed-term Parliament has changed how Government operates in terms that it has that backstop? Has the behaviour of Government changed and adapted as far as you know?

**Miss Smith:** Yes, I think it has. First of all, thank you for your generous view of my power and influence across Whitehall.

**Stephen Williams:** Your powers of observation, perhaps.

**Miss Smith:** If I could find a wider job title than Minister for Political and Constitutional Reform I would love to hear it.

More seriously, yes, I think there has been positive change in relation to now having a fixed term. You could see that from the point of view of the way Government sets out its strategy and then sets out its plans accordingly. We might go on to talk about the use of business plans, which this Government has set out. It then knocks on into the way that we allocate finances as well, and no doubt we will talk about that. But also, of course, it actually knocks on, very importantly, into how a Government plans legislation, which perhaps is where you get some of the greatest area of stability flowing from having a fixed term. You can work out how best to arrange legislation across the whole five years.

**Q242 Stephen Williams:** Can you think of any particular projects, either that you have had your hands on as a Minister or colleagues have talked to you about, which have happened and have been improved because we have this five-year fixed term, anything that the Treasury might have done differently or grasped an opportunity to do because of the five-year period?

**Miss Smith:** I am sure you will have to ask them that. But if you look at some of the work of the Cabinet Office, for example, you will see areas where we have
been able to take a look at civil service reform over that length of time, and work with the civil service, in fact, and look at certain reform projects, because we know there is a length of time in which to do them instead of perhaps some of the issues of instability that historically have otherwise arisen.

Q243 Stephen Williams: Are you a member of any sort of cross-Government committees, any Cabinet committees?
Miss Smith: Yes, various.

Q244 Stephen Williams: In those committees, have you witnessed discussions among Ministers and officials to say, “We can do this now because we know we don’t face the uncertainty of when the election is going to be”? You could be making a decision this week saying, “Realistically, we have 20 months before we get into the real election period to do something”. Have you witnessed those sorts of discussions taking place?
Miss Smith: Yes. I will give an example from some of the work I do on efficiency and reform in the Cabinet Office. I sit on the Cabinet Committee known as PEX (ER), which is Public Expenditure for Efficiency and Reform. There we will have regular discussions about the various things that Government Departments are doing in order to gain efficiency savings. A lot of them are clearly highly related to finance, because that is the situation that the Government is in and we don’t need to argue over that here today.

For example, something I am taking forwards is the use of management information across Government. Francis Maude and I have taken the view that we have five years in which to get this piece of work bedded in. It is my view that it is the kind of work that ought never to be reversed. There is no good reason for not having good management information or for reversing having good management information across Government, but we know very clearly that we have an initial period of time—we certainly hope for more, but an initial period of time—in which to get a good system bedded in, get people using it and get it achieving results, in other words better decision making arising from good information.

Q245 Stephen Williams: What management information did Government Ministers look at before?
Miss Smith: I fear it was highly anecdotal. Perhaps in a different session I can come back and talk about this in more detail, but the work that I have been leading to start with is about what you would call the back office. It is about how Government—the different Departments and their arm’s length bodies—manage the costs of what they have to do to support their good running. On the whole I think policy decisions get supported by a further and different range of information, other than what I am trying to put in place, which is a comparable data summary across the areas that are genuinely comparable between Departments.

Q246 Stephen Williams: You would cite that as a particular project that perhaps might not have happened without this five-year time frame in which to think about it, get it up and running and assess how it is working?
Miss Smith: It is certainly a good example. Frankly, all policies could have answered the question you have just posed. All policies really do benefit from knowing how much time you have to do something in. I can’t think of a situation where I would rather have instability or the knowledge that something could be stopped at any moment. The way I use that example is just as something that we have been determined to do, which we have very good reasons to do. Lots of external commentators, including the Institute for Government, are supporting that this ought to be done. I am pleased to have time in which to plan it out and, I hope, achieve it.

Q247 Stephen Williams: Have you witnessed any conversations where some older hands might have said, “Well, thank God we have a fixed-term Parliament because we never could have done this if we hadn’t”? Have there been projects that perhaps would never have got off the ground if we did not have a fixed-term Parliament?
Miss Smith: I don’t think I have personally been party to any of those conversations, but I am confident that it is exactly the conversation that will be being had, yes.

Q248 Stephen Williams: A different topic. You and I were both first-term Members in the last Parliament. You will remember coming across this curious phrase of “wash up” at the end of the 2005 Parliament, when all sorts of controversial things were suddenly being dealt with by the MPs who were still here, although I was in Bristol West making sure I held on to my seat. Have there been any conversations in Government already about how the end of this fixed term is going to be handled, and will there be no need for a wash up because there shouldn’t be a last minute panic about whether we have done everything in time for the election or not because we know when the election is going to be?
Miss Smith: That is very clearly something that is under discussion and I know, Graham, that is something you take quite a personal interest in as well. Yes, of course, those plans are being laid. I am not able to bring them to you today finalised, but certainly the conversations are going on. Naturally they will involve the Leader of the House, who has responsibility for the legislative programme, and it is still the Prime Minister’s prerogative to arrange for Opposition access to the civil service in what has historically been, in the last 18 months or so, a non-fixed Parliament and, of course, it is for him now to make arrangements for that in a new fixed-term context. Of course, there will also be purdah arrangements. There will be a couple of traditional things that now need to be updated in the new context.

Q249 Stephen Williams: Those conversations are going on at the moment, those deliberations, but it is
Q250 Mrs Laing: Good morning, Chloe. Assuming that there is a benefit in having a fixed-term Parliament, in terms of the legislative and strategic and financial aspects of Government, does the Cabinet Office have a role in ensuring that other Departments maximise the strategic advantage of a fixed-term Parliament?

Miss Smith: Yes, certainly. Historically, of course, that has always been the role of the Cabinet Office, whether the Parliamentary term was fixed or not. Yes, certainly, within the Cabinet Office you have, for example, the management of the secretariats that support the various Cabinet Committees, and you have various other pieces of the apparatus that make Government function. Yes, the Cabinet Office will always be central to that. My colleagues, David Laws and Oliver Letwin, have been particularly involved in managing the business planning process, which I think really does dovetail with having a fixed term.

Q251 Mrs Laing: That is helpful to know. It might seem rather obvious but just to let us get it on the record. Those who are managing the business of Government, do you think that they have an advantage compared with non-fixed term Parliaments in managing that business?

Miss Smith: Yes, I think so, and I am confident that is felt throughout the Office of the Leader of the House, by the business managers—in other words the whips—and absolutely throughout the official apparatus that supports that as well.

Q252 Mrs Laing: Has the Cabinet Office issued any guidance to Departments on how to deal with those potential benefits within a fixed-term Parliament situation?

Miss Smith: In many ways it has been too obvious to me to have been done as written guidance, so there isn’t a fat book hanging around that says, “Here is how you do it”. No. Guidance will always have covered a wide range of topics, but I think in this case the benefits are particularly clear of having five years in which to do all the usual civil service duties.

Q253 Mrs Laing: Is there an obvious way in which civil service guidance changed as a result of the Fixed-Term Parliaments Act?

Miss Smith: As I say, there isn’t a written book of guidance in this instance. In terms of the way things are managed, clearly all managers, from top to bottom throughout the civil service, understand the context in which they work in terms of having time to implement the business of the Government of the day. The benefits are very clearly shared between both the politicians and the civil servants. The benefits of orderly implementation of policies or, rather—to give it its full sequence—the orderly introduction, debate, decision and implementation of policies, the usual sequence, according to a more stable timetable are felt by all.

Q254 Chair: I think Eleanor has asked two really helpful questions there because, again, just from my experience of going round seeing Permanent Secretaries on this issue, in a very friendly environment and very informally, there is a sense in which they are catching up with this and why not? That is not a criticism. There is a degree of: will it actually happen, will it continue? So it is not a certainty in their minds. We were talking to Peter a little earlier on about the educative effect. Once you go through this for one term, that is going to be the way things are done for future terms. I wonder, Chloe, whether you could take that away and consider whether nudging along that educative effort, from your own office or from the Cabinet Office or wherever, actually might be something worth having a little think about.

Miss Smith: Certainly. I think that is absolutely right. Again, for the record, the conditions within the Fixed-Term Parliaments Act for early decision are very clear. I don’t imagine we are debating those again here today. I think it is all round a very clear situation and it certainly is one that we expect to endure. On the note of education, before coming here I had a chat this morning with the Permanent Secretary at the Cabinet Office. He did give me some rather helpful historical perspective to this. Graham, you might be pleased to know that I understand it to be the case that, between 1694 and 1716, there was a maximum term of three years and that led to having 10 general elections in 20 years. So we can be thankful for some small mercies in having pitched at five in this case.

Q255 Mrs Laing: But it depends on which aspect one views having a general election.

Miss Smith: Indeed. We are talking about the stability of management rather than, of course, the greatness of accountability to the public, which we all appreciate.

Q256 Mrs Laing: Exactly. Accountability, and if there were any active lobby journalists present I am sure that they would welcome a general election every two years. It makes it really easy to have something to write about.

Miss Smith: Quite right.

Q257 Mrs Laing: I note, Mr Chairman, that Peter is indicating dissent from a sedentary position. We will take that as an important point. Chloe, the phrase you used a moment ago is, “We expect it to endure”. Is there a cultural feeling now within the business management of Government, both among politicians and among the civil servants, that fixed-term Parliaments are here to stay?

Miss Smith: Yes, in short.

Q258 Mrs Laing: Depending on the will of the electorate, presumably?
**Miss Smith:** Indeed. Of course, what you have here is a set of rules that have been enshrined in legislation. Parliament’s will is that the term of a Parliament should be fixed. As you will remember from the debate at the time, there were arrangements put in place for reviewing that by means of a committee at a certain time. As I say, that was the will of Parliament, so certainly it ought to endure.

**Q259 Mrs Laing:** Yes. Has it been considered, as yet formally, whether five years is the right term for a fixed-term Parliament or whether four years might be more democratic?

**Miss Smith:** I certainly recall this was a very big topic at the time of the then Bill’s passage through Parliament. I don’t have anything to add here today to the arguments that were put then by my predecessor and, indeed, agreed by Parliament. In terms of the operation of the review, which was provided for within the Act, that is all to come in the sense that we are only within the first of the fixed terms, taking a long view of this, and I don’t think you would expect to review it just yet.

**Q260 Mrs Laing:** No. So we can get on the record, therefore, whether in terms of the review, which is provided for in the Act, no steps have been taken to put a review into work yet?

**Miss Smith:** It remains as provided for in the Act, which if I am quoting correctly is to occur in 2020. So “no” is the answer to your question. Being as we are in 2013 that is to come.

**Q261 Mrs Laing:** Absolutely. I think it might have been argued at the time that 2020 is a long way away and that it would have been useful to have a review before 2015, perhaps an informal review. So far not even an informal review has taken place, but you did say, “We expect it to endure”.

**Miss Smith:** Yes. As I say, there are several expectations here. One is that we are still only in the middle of the first of the fixed terms, so it wouldn’t yet be appropriate to take that view. We are not even at the fourth year point, to take your number. So now is not the time for that, but the provisions are made in the Act and it will be done accordingly.

**Q262 Mrs Laing:** Great, thank you. I wanted to get that on the record. Looking at the spending review as a crucial factor in how Departments make their plans, do you think there is scope to align the spending review more closely with a fixed-term Parliamentary term?

**Miss Smith:** Without being too unhelpful to the Committee, you will want to ask that to Treasury Ministers, because it remains their responsibility rather than mine to be able to opine on. I would just note that there are always going to be some elements that will sit outside what you could nail down for five years, and I think finance can be one of those. Therefore, I think the Treasury reserves the right to review spending accordingly.

**Q263 Chair:** To add to Eleanor’s question there, as a spending Minister and a very prudent one, as we know—perhaps that is the Treasury background, Chloe—would you find it helpful if the spending review cycle caught up with a fixed-term Parliament, a fixed-term Government, a fixed-term civil service, and we had a five-year spending review? Would that help you and your Department to plan your future, as indeed we have been able to do as a Select Committee and set out our stall for the long term?

**Miss Smith:** As a spending Minister, yes, you certainly want to be able to look ahead for a period. Just for the record, in my case, for example, one of the principal things I am looking at there is the IER programme, which is of great interest to this Committee and no doubt we can come back on that another time. That programme is an example of something that by its very nature does align to electoral cycles because it is about electoral registration. That said, the work that prepares for it sits outside neat five-year cycles because you are preparing for the cycle itself. In a way, that is an example of there needing to be flexibility in addition to nailing down some elements for five years each time.

**Q264 Mrs Laing:** I suppose a spending review is a rolling programme in any case, so it rolls over the five years anyway, does it not?

**Miss Smith:** Yes, it does. As you know, they have been of different lengths at different times. The other point to make is that also Parliament, and indeed the public, do have means of holding that process to account by holding the Chancellor to account.

**Q265 Mrs Laing:** Indeed, but only every five years. Fair enough, that is the exact point. We received evidence from the Ministry of Defence, which suggests that not all the work that they do can or should be aligned too closely to electoral cycles, particularly taking as an example the National Security Strategy and the Strategic Defence and Security Review. Do you agree with that assessment and, if so, can you explain why certain aspects of the work of Government cannot always be aligned easily to electoral cycles? Again, it would be helpful to get on the record what the opinion is on that.

**Miss Smith:** I think there is a sort of prima facie case that some things do take longer than five years. Some items of procurement, including defence procurement, can be in that category. Some items of major infrastructure spending can be in that category. Looking at perhaps some of the longest of all, some elements of energy policy can be in that category. So, yes, there are things that do require longer than a five-year look.

I have lost track of the number of constituents who say to me, quite rightly, “If only there could be an over longer-term view of some of these things. Don’t put important energy policy into the arena of mere political quibbling”. Naturally, I say to them, “Parliamentary accountability and electoral accountability is very important. You can’t take these things entirely out of political control because then you would complain that we were living in a dictatorship”. Then they stop and sip their pint and the
conversational point goes on. But yes, the consideration of some items is longer than five years and rightly so.

Q266 Mrs Laing: Absolutely. Before 1990 I recall a Russian Minister saying, in discussion with UK Ministers, that they had a 10-year plan because you needed to have a 10-year plan for a certain economic development. The Russian Minister said to the UK Ministers how unfortunate it was that they were working to such a short-term three-year plan, and there was no chance of economic success if they had such short-term planning. It was very gently explained that it was a question pro quo between democracy and long-term planning, and I guess that is exactly the point that you are making.

Miss Smith: I am not sure we need to take lessons from the Russians on this, would by my only contribution.

Mrs Laing: That was pre-1990 Russians.

Miss Smith: Excellent.

Q267 Mrs Laing: You conclude that the fixed-term Parliament does not necessarily have very much effect on the medium-term to long-term planning of certain Government Departments?

Miss Smith: I wouldn’t say “certain Government Departments”. I must say I don’t think it is right to give a carte blanche to an entire Department and say, “Right, you are somewhat outside of this process”, because clearly they are not. The Ministers are individually and collectively accountable, as is the various parts of that Department’s work. All I would say is there are some items within a Department’s work that may need to go on longer than a five-year term.

Q268 Chair: Chloe, I think we have looked at this with you and Peter as to how this affects Whitehall and Parliament and Government Ministers. There is also the effect on people outside. I suppose I should declare an interest as I chair the Early Intervention Foundation, because my example is about early intervention.

By its nature, early intervention is intergenerational and takes a long time. At the moment, it is really helpful to us to have some of these managers who say, “We want this put on a long-term basis, we want that put on a long-term basis” but that assumes there is agreement.

Miss Smith: Yes. Sheila Gilmore: Part of the problem is that one person’s pet project that they want to last for 10 years, somebody else thinks is really bad and it should be stopped, so we are always going to have that conflict, aren’t we?

Miss Smith: I think we are, and you put it out very well. An example I can think of, which perhaps does have agreement over the long term, is some areas of pensions policy. On the notion that we are all living longer, we all agree cross-party on that and have taken action across successive Governments to try to put the pension system on a more stable footing accordingly.

That area of policy is often very arcane and quite obscure to my constituents sipping their pints in the pub. Going into that in some detail can be very difficult for our constituents, so they expect us to do that for them and to exercise that responsibility, but yet still in a way that can be held to account.

Q271 Mr Chope: Chloe, can I invite you to take off your rose-tinted spectacles, for a moment, and think of the reality of what has been happening in recent Parliamentary history? Isn’t it right to say that if one looks as far back as 1979, that the most stable Governments and Parliaments have been the Parliaments of 1979, 1983 and 1997 and 2001, each of which only ran for four years, but in each of which there was a Government with a large majority where they were able to get things done decisively and deliver stability and long-term planning, which you were talking about earlier?

Miss Smith: You are very welcome to lay out all the historical examples. We might be in strong agreement about the desirability of having a large majority, which can get things done. You are also going back to the debate that was had at the time of the Bill between five years versus any other number. I know
that debate was quite heated. Parliament’s decision in the end was to use five, which of course happened to have been the maximum available to those past Parliaments that you have spoken of. I don’t really want to open up all those debates here again because that was Parliament’s decision. It is not—

Q272 Mr Chope: My question wasn’t really about the length. The examples I gave were Parliaments that could have gone on for five years but only went on for four, but I think arguably they were stronger and more stable than the present arrangements. The point I am making is that, in judging this notion of a fixed-term Parliament, you have to have regard to the whole issue of the Coalition because you can’t look at this in isolation. The fixed-term Parliament is a success or a failure because of the particular arrangements around the Coalition. Do you agree that you will not be able to judge the effectiveness of this fixed-term Parliament until the next general election, when people will be able to look back and see what happened, particularly in the time between now and the general election, when anything could happen? We could have a long period of indecision caused by ineffective horse-trading and so on.

Miss Smith: Yes.

Q273 Mr Chope: Saying that the answer to our problems is a fixed-term Parliament is a premature judgment, in any event.
Chair: Was that a question, Chris?
Mr Chope: I think the witness is agreeing with that.
Miss Smith: You asked me if I agreed that the judgment would be made at the general election, and that is what I said yes to. The judgment will always be made there. We all passionately believe that. I think you are also driving at the other truth, that we are in a coalition, which is new to all parts of the Commons, was rejected by the Coalition partners, he was unable to say. “I think this is of such significance that I think we should call an early general election, so that I can get a mandate to deliver on this”? Isn’t one of the consequences of having a fixed-term Parliament that the Prime Minister loses that bargaining power, the ability to be able to threaten a Government and make their decision according. Of course it does. The truth that is just a vessel, and it certainly depends what you put into that vessel. Of course it does. The truth behind that is rowing among itself a lot and engaged in horse-trading for political advantage, then that is going to be a more important factor than whether or not we have a fixed-term Parliament.

Miss Smith: It is obvious that a fixed-term Parliament is just a vessel, and it certainly depends what you put into that vessel. Of course it does. The truth is that, far from being a success for this fixed-term Parliament, when the argument over the boundaries, and the size of the House of Commons, was rejected by the Coalition partners, he was unable to say. “I think this is of such significance that I think we should call an early general election, so that I can get a mandate to deliver on this”? Isn’t one of the consequences of having a fixed-term Parliament that the Prime Minister loses that bargaining power, the ability to be able to threaten a recalcitrant minority coalition partner with the consequences of an early general election?

Miss Smith: Yes.

Q274 Mr Chope: Speaking of surprises, one of the big selling points of the Fixed-Term Parliaments Bill was that it would enable the Government to reduce the number of MPs and bring forward boundary changes, so those changes could take effect five years hence at the time of the next general election. In a sense, that was arguably one of the policy issues for which time was needed, and it needed a full Parliament to be able to deliver. Yet that, which was really the main objective of the fixed-term Parliament, has manifestly failed because we now don’t have the reduction in the number of MPs, we don’t have the boundary changes going through in the time scale that was expected, and we are going to go into the next general election on the existing boundaries with the existing number of MPs. Wouldn’t you accept that that, far from being a success for this fixed-term Parliament, is a manifest failure?

Miss Smith: I share your regret that those policies are not through. Of course I do. For example, I was clear in my role in the House when we considered the remains of the ERA Bill this year. However, I don’t think it holds to reach the conclusion that those two policies mean that a fixed-term Parliament has failed.

Q275 Mr Chope: Surely, the fact that that was avowed to be the main thing—you needed five years in the Coalition to deliver—and the Government hasn’t delivered on that shows us that, in itself, a fixed-term Parliament doesn’t achieve anything. It is dependent upon the sort of Government that there is at the time. If you have a Coalition Government that is rowing among itself a lot and engaged in horse-trading for political advantage, then that is going to be a more important factor than whether or not we have a fixed-term Parliament.

Miss Smith: It is obvious that a fixed-term Parliament is just a vessel, and it certainly depends what you put into that vessel. Of course it does. The truth is that, far from being a success for this fixed-term Parliament, when the argument over the boundaries, and the size of the House of Commons, was rejected by the Coalition partners, he was unable to say. “I think this is of such significance that I think we should call an early general election, so that I can get a mandate to deliver on this”? Isn’t one of the consequences of having a fixed-term Parliament that the Prime Minister loses that bargaining power, the ability to be able to threaten a recalcitrant minority coalition partner with the consequences of an early general election?

Miss Smith: Yes.

Q276 Mr Chope: Do you think there are any disadvantages of having a fixed-term Parliament, from a Government’s point of view?
Miss Smith: Broadly, no. It is clearly very beneficial to get stability in planning. It is clearly beneficial to the workings of the political part of the Government with the civil service. Most importantly, it is of benefit to the electorate who can see what is being promised in what time.

Q277 Mr Chope: Could you not also see that, from the Prime Minister’s point of view, because he is tied in by a fixed-term Parliament, when the argument over the boundaries, and the size of the House of Commons, was rejected by the Coalition partners, he was unable to say. “I think this is of such significance that I think we should call an early general election, so that I can get a mandate to deliver on this”? Isn’t one of the consequences of having a fixed-term Parliament that the Prime Minister loses that bargaining power, the ability to be able to threaten a recalcitrant minority coalition partner with the consequences of an early general election?

Miss Smith: Yes.

Q278 Mr Chope: You would accept that that is a disadvantage from a Government’s point of view?

Miss Smith: It is a consequence, as you just described.

Q279 Mr Chope: A consequence. Thank you. Will the Government be making its own assessment of the advantages or disadvantages of having a fixed-term Parliament?

Miss Smith: I think I covered that in my reply to Eleanor. The Act made provision for doing exactly that, yes, and that is ahead of us.

Q280 Mr Chope: That will not be done until after the end of this Parliament. That is what you are really saying.

Miss Smith: As I said, the Act made provision for it in 2020.
Q281 Mr Chope: Yes. Can I ask you this? We are coming up to the final Session of Parliament with the Queen’s speech next May. Do you expect that final Session to have significant Bills in it, unlike the number of Bills you might get in the final Session of a non-fixed-term Parliament? Would you expect there to be a more robust legislative programme than there would have been under the old system?

Miss Smith: On the whole, yes, I would. I think that returns to one of the very workman-like advantages of having a fixed-term Parliament, which is that you can arrange the legislative procedures more efficiently. That is right. You can have that space for Ministers and business managers to decide that something can be done later because you all agree that there will be time for it to be done later.

Q282 Mr Chope: Could it not also be said that it is encouraging or facilitating indecision? For example, take the ongoing impasse over whether or not to bring forward a lobbying Bill and, if so, what to put in it, whether to bring forward a recall Bill, whether or not to do anything about the married couples tax allowances, all of which things appeared in the original Coalition document. Do you not think that that illustrates that, far from delivering decisive government, what we have in this Parliament is a lot of delay and indecision?

Miss Smith: On the two policies in your list for which I am responsible, I am delighted to say that there is not an impasse and that the Committee well knows there will be a Bill including measures on lobbying brought before summer. Indeed also the Prime Minister announced at the same time that there will be measures on recall in the fourth Session. I will obviously look forward to coming back to the Committee with the requisite replies that I can only apologise you have not had to date. On the—

Q283 Mr Chope: On that point—and thank you for your apology, in a sense, for your tardiness—if everything is so decisive and stable, why has it taken so long to reply to our report on lobbying?

Miss Smith: This was going to be the second point I was going to make, Christopher. Surely, what we need to be doing, in a comparison of “Is a fixed term better than a non-fixed term?” is ask whether the amount of stability and decisiveness we have now is greater or lesser than the amount that we would have had if we were in a non-fixed term. I think the answer is, yes, it is better, if you compare it correctly.

Q284 Mr Chope: Would you not accept that that issue of the stability comes from whether the Government has a good majority, and, in this case, by having a coalition, you have a reasonably good working majority? In yesterday’s vote the majority was around 70, which is pretty much the norm. You have a good working majority, but every now and again, because of the break-up of views within the Coalition, it leads to indecision. This has nothing to do with the fixed-term Parliament. It is to do with the nature of the Government that was elected or formed following the last general election, isn’t it?

Miss Smith: That seems to me factually true, yes.

Mr Chope: Thank you.

Q285 Chair: A couple of final things, then, Chloe. Would you agree that the tradition had been that Governments came in and there was a massive stampede to get your big, important Bill, particularly in that first Session, because you never quite knew when the next general election would be? Now there is the possibility of planning, and if the business managers, who sit in the office next to the Chief Whip, can plan over a five-year matrix, then Parliament itself can do something similar and we can have more effective pre-legislative scrutiny, Select Committees can set an agenda for five years rather than possibly one or two, and that gives everybody a chance to perform their role of democratic scrutiny far better than in the past.

Miss Smith: I think that is right, Graham. I think that is a valuable final point to add to this, which is the role of Select Committees and the greater certainty that you get by being able to set out that programme.

Q286 Chair: This new phenomenon of the last year—a known last year of a Parliament—again, doesn’t that allow you to avoid what one of my colleagues raised earlier, this phrase called “the wash-up” when there is an almighty panic, when an election is declared, that any Bill, at any point in the House of Commons, has to be got through in a tearing hurry and, where agreement can’t be achieved, they are just dropped? I think one example at the last election was that there had been a hard-won consensus, across most people in most parties, about relationship and sexual relationship education. It wasn’t perfect by any means, but it was damn close to a consensus. But because some people would have regarded that as a controversial issue, a debate would have ensued, which would have meant it wouldn’t have made it in the wash-up so it would have fallen. In the current situation that we have, presumably, if there is anything contentious or marginally contentious like that, it can be taken in the first, second, third or fourth year of Parliament and not be thrown in as a lottery in the last year, but the last year can be planned effectively, too, if you know for certain when the date of the election is going to be.

Miss Smith: I think that is all quite correct, and let’s go back to the very important point of accountability. The situation you have rightly just described is more effective at providing a way for our constituents to hold controversial measures to account, which they must do. Whether those measures are in manifestos or other expressions of promises of delivery, they merit being held to account. I am not making a particular comment about a particular piece of legislation. I was only here for the last nine months of the last Parliament, so I really wouldn’t have had the chance to have tracked that particular piece from beginning to end.

The thing that we also ought to say is that, quite rightly, constituents in their role as electors also want to plan for their chance to have their say, and elections are not just important to those who offer themselves for election but, quite rightly, are important to those
who want to do the electing. There is stability there for them as well.

Q287 Chair: The question of lobbying came up, so I did not forewarn you about this because I have only just thought of the question. If you don't mind my asking you, we did a serious report on lobbying, which outlined a number of quite fundamental flaws in what we felt the Government's thinking was at that point—that the register as proposed or floated was partial and would only have affected people who were third-party lobbyists, rather than the bulk of lobbyists who work for the companies that they are lobbying on behalf of and so on. There are a number of question marks there. That was completed last July, Chloe. We would like to know whether we will see a response to that before a Bill is produced. That is my first question.

My second question is: will we be able to conduct pre-legislative scrutiny of that draft Bill? There is a very strong sense in the Committee that there has been a reflex response to recent events in the House and that we are in danger of legislating at haste. If there is to be a formal pre-legislative scrutiny that will allow us to make the point and not sabotage the Bill—you know that is not the way this Committee works—but help to make the Bill better. There should be a period of sensible reflection on your proposals, rather than choosing helter-skelter to bung it in front of the House and pass something saying, "Look, we've been taking action".

Miss Smith: I am very grateful for that constructive offer of work. Certainly, I will be coming back to you and the Committee, Graham, with the response. As I say, I apologise that you have not had that response. On the notion of moving at pace, on this particular one, I do think it is fair to say that, certainly my predecessor did spend a great deal of time—not only with the Committee but with plenty of others—discussing the proposals during the last year. Clearly I then took that up from him, and I have equally spent time reflecting on the responses received to our consultation and on the views of the Committee. I don’t think it would be fair to say that there has been no scrutiny of the Government’s proposals to date. Equally, I don’t think it is fair to say that we would be rushing into proposals at haste, because we have been out there since January 2012 discussing the point.

Q288 Chair: You would be right to say it would be unfair if someone had said that. I did not say that. I did refer specifically to the Bill, the Bill being properly scrutinised and the Bill engaging in what on other occasions you are quite rightly very vociferous about, effective pre-legislative scrutiny of all Government legislation. It is in that context that I think it is important, isn’t it, that the Committee has a chance on behalf of the whole House of Commons, before whipped votes and so on, to produce a report that will inform that debate in the House as a whole? I mentioned I hadn’t planned to ask you this—and I am not doing this in order to put you on the spot—but would you take those thoughts away from me, as Chair of this Committee, I know, speaking on behalf of every member of my Committee on this issue? Would you mind having a look at that to see if it fits with improving our democracy, which we hope the lobbying Bill is destined to do, if it fits within the democratic structure of proper scrutiny before a decision is made? I would be grateful if you would take that away and have a think about that for us.

Miss Smith: I certainly will, Graham, and with thanks for the offer.

Mr Chope: Can I just come back in on that?

Chair: I have Eleanor and then I will come back in a minute, Chris. I was trying to wind up there, believe it or not, but Eleanor has another question and then Chris, and then I will wind up.

Q289 Mrs Laing: A different aspect of fixed-term Parliaments, which we have not discussed this morning, is the effect on electoral administration matters. Although one can—and many Members of this House have, when the matter was being discussed at its Second Reading and so on—criticise the concept of a fixed-term Parliament for many good reasons, would you like to give the Committee an idea of some of the advantages in terms of electoral administration? For example, I am thinking of the time when we did not know the date of a general election until three weeks before a general election, which therefore led to a very short timeframe for postal votes and proxy votes to be issued, verified, and indeed for the electoral register itself to be checked. In particular before the 2010 general election, I personally made rather a fuss about overseas voters, particularly those in the armed services who were not given the chance to exercise their democratic right to vote, which you just mentioned in another context. Would you like to put on the record any advantages that you consider there might be in terms of fixed-term Parliaments?

Miss Smith: That is absolutely right, Eleanor, and thank you for the chance to throw this in. Being a policy Minister—as you were at the beginning—it is something very close to my heart. This particular period in the electoral administration is incredibly important. Trying as we are to implement individual registration, it is a great advantage to know that we have a fixed amount of time in which to do that. I think that was quite clear in many of the debates that we had around that Bill at the time in Parliament, and I think that was perhaps of help within that structure.

You are absolutely right to draw out the amount of just sheer work that needs to go into arranging an election. We all know, with reference to local authorities, that the EROs who sit within those authorities have an immense amount of work to do every time on every cycle. In the past, only some of those cycles were fixed for them. Now, I am pleased to say, that of course we have done our bit with this to complete that set. As you say, the postal vote timetable is crucial and what we have also done in Government is lengthen that. In the next general election there will be a longer period—up to 25 days—for the electoral timetable in that last flourish. That is a further reform we have done that I think is really helpful in getting through the sheer amount of work within electoral legislation.
Eleanor, you make an extremely important point about overseas voters, and something else that we now have the ability to do is to encourage more people to register to vote. That is true domestically, of course, and we all will want to do that, and I beg for and look forward to the Committee’s help in encouraging people to get registered as we go through the IER programme. For overseas voters it is particularly important as well, because I think historically the level of registration among potential overseas voters has been extremely low. Whichever way you count it, it has been shockingly low, and it is in all of our interests to bring it up. They are legitimate voters like any legitimate voter. It is now possible for all of us to hold the Electoral Commission particularly to account in the plans they are setting out for getting voters registered, and we will all want to do that now that we know how much time there is in which to do it.

Q290 Mr Chope: Can I come back to the points Graham was making? I think there is the opportunity here possibly to persuade the likes of me, who were very sceptical about fixed-term Parliaments, of the merits of a fixed-term Parliament if you deal with the lobbying Bill in the right way. It wasn’t in last month’s Queen’s speech. We know that because of the fixed-term Parliament we have until April of 2015 in order to get this Bill right. We know that with the flexibilities we now have we can carry it over from one Session to the next. Why can’t we have a Bill that we can look at first of all in pre-legislative scrutiny—bearing it in mind that it was not even contemplated in the Queen’s speech, it cannot be that urgent—and then look at it properly? Then, if need be, the Bill can be carried over into the next Session, so that when we get a Bill on the statute book in relation to lobbying it is a Bill that really reflects the collective wisdom of both of the Houses of this Parliament and is not then subject to criticism as being a knee-jerk reaction to events that probably would not have been altered in any event, even if there had been a lobbying Act?

Miss Smith: Again, if I can just thank the Committee for your interest in doing that, which I shall certainly take away, as I have just said to the Chairman.

Chair: That is very helpful.

Miss Smith: Christopher, as you will know and as is public knowledge, the measures to be brought forward, along with others to make the role of third parties in politics more accountable and more transparent are to be welcomed, and I look forward to discussing the proposals with you as soon as I am able.

Chair: I am keen to note that the Minister did not give us a “no” but keeps the door open and offers to go away and have a think about it. Chloe, you come here to be held to account, but I think you know how this Committee works. We see it as a partnership, and if we can help—particularly on this lobbying Bill—I think we are going to be in serious danger of producing some legislation that has a good chance of working. I would rather do that than score points, and that is the style in this Committee.

Miss Smith: Thank you.

Chair: If we can have a further discussion that would be very, very helpful. Chloe, thank you very much indeed for coming along. Thank you, colleagues.