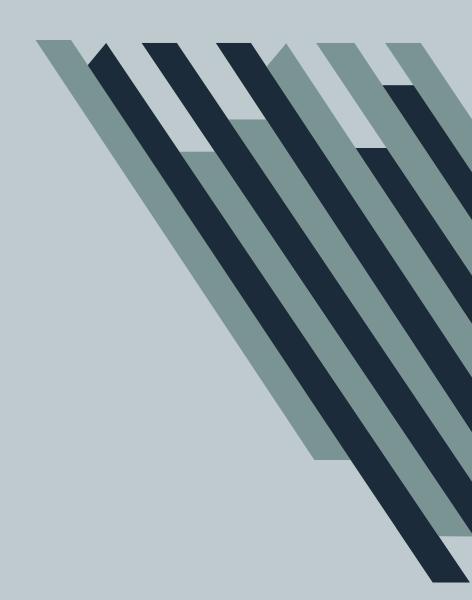


Ministers reflect: how to handle a crisis

Nicola Hughes



BRIEFING PAPER

December 2016

About Ministers Reflect

This briefing paper has been produced by the Institute for Government as part of the Ministers Reflect project.

Ministers Reflect is a unique archive of interviews with former government ministers. It is designed to record — in their own words — what it takes to be an effective minister, the challenges ministers face, and what more can be done to support them in driving forward their policy objectives.

The interviews on which this briefing paper was based represent former ministers' own views and memories. They do not represent the views or position of the Institute for Government.

Find out more at:

www.instituteforgovernment.org.uk/ministers-reflect

Blog

www.instituteforgovernment.org.uk/blog/category/ministers-reflect

Twitter

#ministersreflect

About the author

Nicola Hughes

Nicola joined the Institute in 2013. She leads the Institute's 'Leadership for Government' programme, including the Ministers Reflect project.

Ministers reflect: how to handle a crisis

Unexpected crises, from natural disasters to economic collapse, are inevitable. In times of emergency, the public looks to government to keep them safe and solve problems quickly, so crisis management is a feature of almost every ministerial career: "There always is a sense of something popping up that was not in the script", said Lord Howell. If handled poorly, crises can have devastating impacts for the country. They can also seriously damage a minister's credibility. Therefore, it is important that ministers and their staff learn from past crises and take advice from predecessors so that they are as prepared as they can be when bad news hits.

In this briefing paper, we summarise stories and tips from ministers interviewed as part of our 'Ministers Reflect' series on how to deal with the unexpected. They gave us examples – all published in full on our online archive – of crises they handled in office, including sudden external shocks – floods in Pakistan; riots in London; problems within government services – prison strikes, a sensitive tax data leak; and, less often, public relations crises such as losing the confidence of parliamentary colleagues on a Bill.

Their examples provide 12 lessons for how ministers can get on top of a crisis. These cover:

- prevention and preparation
- managing teams and relationships across government
- getting a grip on the facts and taking action
- communication with the public
- learning lessons after the event.



There always is a sense of something popping up that was not in the script
Lord Howell



In today's highly volatile political climate, ministers will face their own crises. While there is no "manual on how to do these things", insights from other ministers who have been there and done it should help them to feel better prepared and able to cope with the challenges ahead.

Background

It's a moment every minister dreads. The phone rings and it's your private secretary breaking the news of a crisis which requires an urgent response:

"...it was a bank holiday I think, Alice and I went out cycling around the lanes of West Oxfordshire... I was there in my Lycra, and one of the detectives said 'Boss, you've got to take a call' and this was about the fact that the English [football] fans had rioted in Charleroi and the Belgian government had arrested 1,000 people and they wanted us to take them back again. So I had to get on the phone to the Ministry of Defence, because they couldn't find any other bugger to do it, to ask them to lay on three Tri-Stars to get these bloody people back."

Jack Straw

Worse yet, you read about a "career-threatening" crisis in the newspaper, like former Environment Secretary <u>Caroline Spelman</u> did while waiting for a flight: "...the *Sunday Telegraph* was on the table in the departure lounge where we were, and it said, 'Government to privatise the forests'. And I said to my Principal Private Secretary, 'What is that about?'. And he said, 'I have no idea'." Public outcry at the Government's forests proposal rapidly escalated into a major story and Spelman lost her Cabinet job at the next reshuffle.

Major crises are distinct from routine business and policy development within government. Public, parliamentary and media interest is heightened: people expect action, reassurance and for those responsible for any failures to be held to account. In an unfolding emergency, decisions need to be made quickly, and with less information and consultation than ministers are used to. They can also be emotional times, particularly where lives are at stake, during which ministers are under a lot of pressure and can feel powerless to control the situation.

Lessons from former ministers

1. Prevent crises from escalating

Some crises felt more avoidable than others. <u>Paul Burstow</u>, then Social Care Minister, described fierce opposition to the Health and Social Care Bill as "a model of a crisis in slow motion..." borne of a "flat-footed" communication approach by the department and "failure to recognise a deficit in the Secretary of State, who in many ways was very competent, but needed really strong support to be an effective communicator of the message".

Clearly, ministers must be on the look-out for warning signs that something is about to go wrong, and take remedial action where possible. Some ministers suggested that creating an open departmental culture that allows for criticism and challenge could help; Iain Duncan Smith, for example, argued that problems in the rollout of Universal Credit might have been avoided were it not for the department's "...propensity to deliver only good news". Our Tesearch into failure in public services echoes this.

Visits and talking to staff on the ground also helped ministers to identify potential upcoming problems:

"I went to Nepal two months after I became a minister and they said, 'Well, Minister, Kathmandu is due for a big earthquake, it hasn't had one since 1931 and any time now it could go...'. I said, 'In which case, we must develop the most comprehensive earthquake preparedness plan specifically for this city'. And I drove that, as my mission, for two years... They reckoned it saved perhaps 40,000 lives." Alan Duncan

Ministers we interviewed did not mention some of the specific civil service structures that exist to help them anticipate and plan for crises, though such units exist both centrally and in departments. Some suggested that special advisers or individual officials could be effective "mine detectors" (Lord McNally) to help spot weaknesses in plans that could easily escalate into crises.

2. If possible, prepare before the crisis hits the front pages

Some crises come out of the blue, most obviously natural disasters. With others, ministers can use the time from first warning of an oncoming problem to prepare a strategy. <u>Ed Balls</u>, then Children, Schools and Families Secretary, reflected on the social care failings in Haringey that emerged during the Baby P case:

"...we had thought really hard, in advance, because we had quite a lot of warning about the court case and so we, Bev Hughes and I, spent a lot of time in the previous week working out how we were going to handle this."

Former Solicitor General <u>Edward Garnier</u> faced many nights of urgent legal requests, often in response to crises abroad, but felt he could give more solid advice and find precedents when he had a little warning: "Libya, that brewed up quietly and then it exploded. So, you had time to prepare for that", he said.



Libya, that brewed up quietly and then it exploded. So, you had time to prepare for that Edward Garnier



It is also possible to prepare by rehearsal. <u>Ed Balls</u> described a 'war game' the Treasury ran in 2006 based on the hypothetical scenario of a northern building society collapsing. In this way, the Government and regulators could test how to respond. This was prescient: a year later, the Northern Rock crisis hit.

3. Understand ministerial team roles

Much of crisis response is about co-ordination and delegation. Senior ministers will usually be part of, or leading, a team of officials, other ministers and delivery agencies, and their role will differ depending on where in the team they stand. Kitty Ussher, for example, was a junior Treasury minister during the financial crash and felt it was "so big that it wasn't my responsibility". Ben Bradshaw had been a minister at the Department for the Environment, Food and Rural Affairs for some time when there was an outbreak of avian flu. He saw his role as picking up

detail, working with stakeholders, helping with media management and providing reassurance to his new boss, David Miliband:

"...it was his first secretary of state job and you could see that he thought 'God, this could destroy my career, if this isn't managed effectively', so actually a lot of my role then, a lot of my energy and time then was spent supporting him, helping reassure him that the department was on top of things and he didn't need to worry too much."

Outsiders with different skills can be useful additions to a ministerial team dealing with a long-running crisis. Former banker, <u>Lord Myners</u>, for example, was brought into government specifically to work on the banking crisis: "I was brought in, in Gordon Brown's words, to be able to speak with the bankers eye-to-eye and not to be intimidated by them, and not to be drowned in data and industry terminology".

4. Make use of civil service expertise

Ministers we interviewed were generally positive about how the civil service responded in a crisis: former Energy Minister <u>Greg Barker</u> thought that crises "...brought out the best in people" while businessman-turned-Trade Minister <u>Lord Davies</u> felt that "...the officials really come into their own" whereas "some of the ministers panic, they don't want to be seen with failure".

66

Government swings into action, particularly now when they're used to it after Northern Ireland, and 9/11 and 7/7 Alan Johnson

22

<u>Alan Johnson</u> talked about facing a crisis a week in his ministerial career, particularly during his time as Home Secretary, but praised the way the officials "don't panic":

"...government swings into action, particularly now when they're used to it after Northern Ireland, and 9/11 and 7/7 – I was a minister when that happened – because you've got the forums to get all the experts in and to deal with it and perhaps that wasn't the case in the past."

Civil servants can therefore provide experience, expertise and levelheadedness in a crisis, while ministers set direction and act as the public face.

5. Handle Number 10

In some cases, ministers felt that Number 10 was a distraction in a crisis: "Gordon [Brown] got word of what I was doing and I had to go and talk to him for ten minutes and tell him that it was all OK, I was handling it...", said Jack Straw of his response to an unexpected Prison Officers Association strike, while Baroness Kramer, Transport Minister during the 2013–14 UK floods, found that the Number 10 press operation could get in the way: "...anywhere where the TV cameras would be basically, only the Prime Minister could turn up". In other cases, Number 10 seemed to actively distance itself: "It's hard to get the attention of Number 10. We were on our own during the forests fiasco...", said Caroline Spelman.

But ministers also gave examples of where Number 10 was useful in a crisis. Ministers can seek to leverage the authority of the Prime Minister to get everyone working together and ensure that plans are carried out. Hugh Robertson, former Olympics Minister, gave what he called "a perfect example" of David Cameron doing this after the G4S contract for security at the Games collapsed:

"...[he] got to the bottom of what we needed to do and the issues that were involved, translated that into what needed to be done to put it right and then got everybody geared up. The sting in the tail was, 'I want everybody back in two days, so if you have any problems we need to know about them beforehand'."

Similarly, <u>John Healey</u> looked to the Prime Minister for support in the wake of the 2007 floods:

"...getting the Prime Minister's personal commitment to that response and getting through him, charged with co-ordinating a, not a Cabinet sub-committee, but essentially the key operational delivery ministers from about half a dozen different departments, including the Treasury, meeting regularly as required. So you had a degree of co-ordination, you had the imperative to act that meant the system reacted quickly..."

In any case, and depending on the nature and scale of a crisis, the Prime Minister will need to be briefed and may want to be more actively involved. As former Leader of the House <u>George Young</u> said: "They don't like being caught on the hop".

7

Institute for Government

6. De-prioritise less urgent issues

Dealing with external shocks usually means tearing up the diary and dropping or postponing other work. Ministers need to quickly assess the magnitude of a situation and make "fairly brutal decisions" about what to prioritise, said former Defence Minister Nick Harvey. David Hanson, once Parliamentary Private Secretary to Tony Blair, explained:

"I was with the Prime Minister when 9/11 happened. He was doing a conference speech in Brighton about employment measures at one o'clock and by two o'clock he wasn't. So there's different competing demands and you go with the priority. If someone's been shot dead in Northern Ireland, that's a different priority than what you were going to do and talk to an old people's group about ageing policy."

66

I was with the Prime Minister when 9/11 happened
David Hanson

99

The risk here is that ministers become so absorbed in reactive crisis management they lose track of other strategic priorities; as we recommend in our report *Making policy stick: Tackling long-term challenges in government*, government also needs to carve out time and space for long-term thinking.

7. Establish the facts and an action plan

On hearing of a breaking crisis, ministers need to get the facts straight: "...get all the information you can as quickly as you can", advised Lord McNally. Indeed, Jacqui Smith, former Home Secretary, argued that the value ministers bring to crises is "asking the questions that enabled everybody to have clarity about what we knew and what we didn't know".

Ministers then need a clear plan for how to fix things: "In order to be credible on the media you had to have got your sleeves rolled up and really be involved with sorting it", said <u>Jim Knight</u>, who worked on the SATs exam marking crisis of 2008.

<u>Alistair Darling</u>, who as Chancellor during the 2008 banking crisis and economic downturn has a wealth of insight about crisis management, talked us through his method:

"...understand as quickly as you can what are the key things you need to sort, because you'll not sort everything. Within any crisis – whether it's a banking crash, or the trains not running on time – there's big things you need to sort. For example, in the banks the most obvious one was they had to be recapitalised. Unless we got through that and had a plan and, critically, executed the plan in terms of the announcement and appearing confident and so on, the rest of it would just fall away. But then there's 101 things that have to be done alongside that."

<u>Lord Myners</u> described how set-piece meetings create a positive impression that government is taking the crisis seriously, but can also risk creating a distraction from the real business: "I was a member of the New Economic Council set up by Gordon, which met in the Cobra war-rooms," he said, "which as a lay person was fascinating, but one visit would have been sufficient! The New Economic Council was really just to manage external perceptions." So action needs to be not just visible, but also meaningful.

8. Handle the media and Parliament carefully

Media is an important part of crisis management. Reflecting on his time at the Department for Work and Pensions, <u>Steve Webb</u> felt that crises often came about because "...we'd announce something and we just hadn't thought through what we were doing".

66

It is a matter of preparation, what you put into the message, how you fight back, how you respond Mark Hoban

99

Ministers talked about the balance between taking the time to get things straight behind the scenes ("...it is a matter of preparation, what you put into the message, how you fight back, how you respond", said Mark Hoban) and not letting problems fester before speaking to the public: "...you've got to exude confidence. We got into real trouble over Northern Rock, because it looked like we'd lost control", said Alistair Darling. Ed Balls regretted not dealing with the SATs exams problems more quickly: "I made a mistake

on that personally... I should have gone out, on the very first day, and said 'We are gripping the situation and we are discovering what's happening and we are asking these difficult questions'." Interviewees also emphasised the need to be straightforward and factual in the press and with colleagues during a crisis.

Opposition parties will often put pressure on the Government during a crisis, so ministers must also have an eye on the politics and how to communicate with Parliament. Margaret Beckett, for example, told us about a "no-win" situation after it emerged that important research into BSE was invalidated due to sample contamination. This fell at the time of a debate the Opposition were leading on the use of spin in government and criticism of the Government's media handling. Her Permanent Secretary, Brian Bender, had broken the news at about 6 o'clock one evening:

"...Brian and I knew that we would have to tell the devolved administrations overnight and that the chances were that once we'd told them it would leak, frankly... our Director of Communications was adamant that it was too late for the evening deadlines, it's too late for the news bulletins, you've got to sit on it until tomorrow morning. And we were equally adamant that if we did that, we would be accused of deliberately manipulating, trying to keep it from the public and then it would leak overnight and it would be 'I see you're manipulating the news'."

Ministers can also provide a link between government and the wider party – and their constituencies – during a crisis, as <u>Kitty Ussher</u> explained:

"...one of the building societies got in trouble, I presume it was Bradford and Bingley, and so one of the most immediate priorities from the Treasury ministerial team was making sure that all the MPs that felt they had a constituency interest had somewhere to go and were being briefed. Because they were getting huge grass-roots pressure and so they had to know for their own sense of effectiveness that they could say, 'Yes, I'm talking to the minister about it and I'll raise your concerns' at the same time."

9. Take responsibility

Many crises are sparked by events outside of a minister's direct control, which can be frustrating. "I was once on the front of *The Sun* with a dunce's cap on my head [because] G4S had tagged an individual who had been then seen in the pub having three or four pints... they'd tagged his wooden leg which he'd taken off and left at home", said <u>David Hanson</u>. Ministers may

not even have the power to resolve a situation. As Health Secretary <u>Alan Johnson</u> was not able to sack NHS managers after the Stafford hospital scandal and was amazed that he "...had to argue vociferously that these people should go, not just be moved, go".



I think if you are Secretary of State or Chief Whip, you do it, you take it on the chin, you do not get somebody else to do it

George Young

99

But while they may not personally be responsible for a lost disc of data or poor handling of a sensitive case by a local council, ministers are ultimately accountable and may lose credibility with their peers if they don't take a hit publicly, as <u>George Young</u> advised:

"A business manager [deals with] one long crisis after another: a bill isn't ready; a minister isn't there, you know, whatever. But how does one cope? I think if you are Secretary of State or Chief Whip, you do it, you take it on the chin, you do not get somebody else to do it, it is you, you go to the House, you do the media, you take it, even if someone else has goofed down the line, and so I always did that."

Some ministers even enjoyed getting in front of a crisis: it "gets the adrenaline going", commented <u>Ken Clarke</u>, lamenting that in today's media climate secretaries of state are "...all advised now to vanish, as soon as there is any row, and put some obscure junior minister in".

10. Learn from your own experience

As with other aspects of ministerial life, our interviewees felt that practice and experience were key to getting crisis management right. "I think the reality is you learn to handle external crises by handling external crises", explained Ed Balls, who "definitely learned from" his mistakes during the SATs crisis and felt more confident of his handling of the Baby P case. Similarly, Alistair Darling "...thought that Northern Rock was an extremely well disguised blessing, in that if we had not been through Northern Rock, I wonder whether or not we'd have done what we did for the banks [later on]".

There was an attempted terrorist attack in Glasgow during <u>Jacqui Smith's</u> first week as Home Secretary in 2007. This steep learning curve proved useful: "...very quickly I met the most senior counter-terror people both in the police and in the security agencies. I got a feel for what happens when there actually is a live terror attack".

11. Analyse what happened after the event

The job is not done once a crisis subsides; ministers must also keep an eye on the longer term. <u>Andrew Mitchell</u> reflected on how well both he and his then department, Department for International Development, reacted to the devastating floods in Pakistan in 2010:

"That was quite a challenge and obviously I hadn't done it before. Secondly, there was no sort of manual on how to do these things... Britain made a significant contribution. I remember heading from Pakistan direct to New York and the United Nations to berate the General Assembly for not doing more. I think following the reviews that took place afterwards, we would do better today than we did then. But we certainly were a world leader in terms of trying to help the poor people who were caught up in that dreadful disaster."



I very self-consciously thought the way of taking the heat out of this is actually to get it as rational and as objective as possible

Chris Huhne



Ministers can also learn from events elsewhere. After the UK's initial response to the Fukushima nuclear plant disaster, <u>Chris Huhne</u>, then Energy Secretary, sought to analyse what had gone wrong and set up an independent, scientific committee to "publically learn the lessons":

"...that was a defined period in which I very self-consciously thought the way of taking the heat out of this is actually to get it as rational and as objective as possible. And I think that that was absolutely the right decision. The Germans, by contrast, you know, went into full panic mode."

12. Help rebuild confidence in the department

Crises can damage the reputation and morale of a department.

<u>Stephen Hammond</u>, who was a minister in the Department for Transport, told us about the effects of the West Coast rail franchise problems:

"I did a Transport Select Committee on something else, and again members of the Transport Committee said, 'How can we have faith in anything your department is doing even in this area because of the contagion from the other area?'. So as a departmental team, we were under a huge amount of pressure. Actually righting the department, putting a process in place to not only investigate what had gone wrong with that franchise, but more why has it gone wrong, suspending some fairly major civil servants, putting a review of whether the whole system was actually good enough, defending the department and then moving on, was a period of a couple of months of really quite intense pressure."

Reviewing, resetting and then growing the department's confidence and capabilities may be easier for incoming ministers to a department, who can represent a fresh start.

Conclusions

Crisis management is an important part of effective government and the risks of getting it wrong are high. Making the right decisions with limited information, managing the media and co-ordinating a workable plan of action to deal with a sudden problem puts ministers and their departments under considerable pressure.

Stories from the ministers we have interviewed show that ministers can more effectively navigate crises though preparation and setting up structures to anticipate problems; through using the expertise of civil servants and deploying junior ministers appropriately; and through prioritising and developing a solid, fact-based action plan. They can help abate crises by careful media and parliamentary handling, co-ordinating across government, taking responsibility; and improve handling of future crises by learning lessons after the events.

Ministers do not need to reinvent the wheel every time there is a new crisis: learning from past examples of crises, both by seeking advice from predecessors and by calling on departmental experience, should be a part of all ministers' induction and development plans.

Annex: interviews with ministers quoted in this report

Ed Balls Edward Garnier Lord McNally

Greg Barker Stephen Hammond Andrew Mitchell

<u>Margaret Beckett</u> <u>David Hanson</u> <u>Lord Myners</u>

Ben Bradshaw Nick Harvey Hugh Robertson

<u>Paul Burstow</u> <u>John Healey</u> <u>Jacqui Smith</u>

<u>Ken Clarke</u> <u>Lord Howell</u> <u>Caroline Spelman</u>

<u>Alistair Darling</u> <u>Chris Huhne</u> <u>Jack Straw</u>

<u>Lord Davies</u> <u>Alan Johnson</u> <u>Kitty Ussher</u>

<u>Alan Duncan</u> <u>Jim Knight</u> <u>Steve Webb</u>

<u>Iain Duncan Smith</u> <u>Baroness Kramer</u> <u>George Young</u>

Institute for Government



The Institute for Government is the leading think tank working to make government more effective.

- We provide rigorous research and analysis, topical commentary and public events to explore the key challenges facing government.
- We offer a space for discussion and fresh thinking to help senior politicians and civil servants think differently and bring about change.

The Institute for Government is a registered charity in England and Wales with cross-party governance. Our main funder is the Gatsby Charitable Foundation, one of the Sainsbury Family Charitable Trusts.

Copies of this report are available alongside the Institute's other publications at: www.instituteforgovernment.org.uk/publications

December 2016 © Institute for Government 2016

2 Carlton Gardens London SW1Y 5AA

Tel: +44 (0) 20 7747 0400 Fax: +44 (0) 20 7766 0700

Email: enquiries@instituteforgovernment.org.uk

Web: www.instituteforgovernment.org.uk

Twitter: @instituteforgov

The Institute is a company limited by guarantee registered in England No. 6480524

Registered Charity No. 1123926