

# Ministers Reflect

## Jane Hutt



13 September 2018

# Biographical details

## Welsh Assembly history

1999–present: Labour Party Assembly Member for Vale of Glamorgan

## Welsh government career

2018–present: Chief Whip

2016–17: Leader of the House and Chief Whip

2011–16: Minister for Finance

2009–11: Minister for Business and Budget

2007–09: Minister for Children, Education, Lifelong Learning and Skills

2007: Minister for Budget and Assembly Business

2005–07: Minister for Assembly Business and Chief Whip

1999–2005: Minister for Health and Social Services

## **Jane Hutt was interviewed by Akash Paun and Tess Kidney Bishop on 13 September 2018 for the Institute for Government’s Ministers Reflect project.**

Jane Hutt talks about taking responsibility for crises as Health Minister and striking deals with opposition parties as Chief Whip and Finance Minister. Reflecting on the transfer of powers to Wales over her time in government, she calls for “powers for a purpose”.

**Tess Kidney Bishop (TKB):** If we could go back to 1999, can you tell us how you were appointed as the Health Minister?

**Jane Hutt (JH):** Well, it was ‘hit the ground running’ really. We were elected on the Thursday. Labour had the largest number of seats and Alun Michael was deputed to be the First Secretary as we called them then. He had to decide whether he could go on and form a minority administration. Within days he then appointed his Cabinet of Labour ministers. Andrew Davies was one, and he appointed me to be Health and Social Services Minister. Obviously everybody knew each other very well. I’d worked with Alun in various ways, not just through the Labour Party but many other community activities that we’d been involved in, so we knew each other well. I was very pleased also that Rhodri Morgan was appointed to the Cabinet because I’d been a strong supporter of his previously when there’d been leadership elections. But I was very delighted to be appointed by Alun.

We didn’t actually assume the full powers until July, but I remember we had a kind of launch service in Llandaff Cathedral and the Permanent Secretary [to the Welsh Assembly] saying to me: “You’ve certainly got the poisoned chalice, taking on health.” And I quickly realised that was the case because it was a really, really tough time – and this was leading up to taking full responsibility. If you recall, the Labour Government in ’97 agreed to carry on with the Tory spending plans and settlement into the first two years of the Labour Government. So the health service was pretty much on its knees in terms of pressures. And also the whole Welsh Assembly, and devolution, were very much under scrutiny as to whether we were worth it, whether we would deliver the goods, because we had such a narrow majority in the referendum and the constituency that I stood in had voted against devolution. So I had to prove myself as an Assembly Member for my constituency and as Minister for Health and Social Services.

**TKB:** Did you have particular priorities for what you wanted to do in the job?

**JH:** One thing to be said is that I’d had quite high-profile roles in the third sector before becoming an Assembly Member. I had been a non-executive director of a health trust, I’d been a Community Health Councillor, I’d been a county councillor, so I was fully engaged in health and social care policy issues. I’d also had management jobs. So that, in a sense, gave me a level of experience and confidence, which is really important coming into the post of Health and Social Services Minister.

Obviously we had a manifesto, we had set various commitments to reduce waiting times. But early on, I decided that we had to have a twin-track approach to ensure that we improved the delivery of the health service in Wales and got more investment into the health service, but that we also promoted better health. One of the first documents I produced was *Better Health, Better Wales* on improving health in Wales.

So the programme that I set out on was very much based on Welsh Labour manifesto commitments, but also on what was becoming a clear reality: that we had to get more investment in the health service and improve delivery, but at the same time improve the health circumstances of the people of Wales. There was a lot of evidence of health inequalities in Wales. I took quite a lot of advice from the Socialist Health Association and from Dr Julian Tudor Hart, who recently passed away, who had worked in the South Wales valleys and developed the ‘inverse care law’ which was published way back in the ‘70s in *The Lancet*, which basically said the people with the poorest health often get the poorest care. So very quickly, and backed by the Cabinet trying to tackle the distribution of health resources, tackling health inequalities, I appointed Professor Peter Townsend, the expert on poverty, to look at the way we allocated our funding even though it was still very constrained.

I think the real tests came later in the year, Christmas of ‘99, a bit like last winter where the pressures on the health service, not just in Wales, were such that there was real difficulty in terms of managing the services. I was on the Welsh news every day. It was really hard. There weren’t enough beds or transfers of care. Actually, it was as a result of that winter that Gordon Brown and Tony Blair decided to increase spending on the NHS via a 1% National Insurance uplift. Tony Blair actually came to Wales in April and announced this uplift and we had a Cabinet meeting. We took him to a hospital locally to show him a new screening process that had been developed in Wales for people with diabetes, it’s called diabetic retinopathy, which – this was nearly 20 years ago – was a pioneering new procedure. That meant we were suddenly in the position where we were going to start having some more money coming in. We’ve now gone back to eight years of austerity, and in a sense we knew what that was like, that first year of devolution, particularly in terms of pressures on the health service.

I suppose the other things that were happening in that first year were that I was very keen that I wasn’t just the Health Minister. I was very mindful of the fact that social services and mental health were really regarded as ‘Cinderella’ ministerial responsibilities. They were responsibilities of local government as well as the health service. So I did a lot to try and move forward the profession of social work. I appointed the first black woman Chair of our Care Council for Wales. The Care Standards Act was going through Parliament in Westminster and also, as a result of a scandalous situation in a North Wales care home, Ronald Waterhouse had done a review of care homes and of young people who were abused. As a result of that review, I introduced legislation – we didn’t have primary law-making powers then, so we had to ask Westminster if we

could attach ourselves to a piece of legislation to get any legislation through – and through the Care Standards Act, we got a legislative opportunity to appoint the first Children’s Commissioner in the UK. So that was one of the first things that I did.

**Akash Paun (AP): So that was an English Act that you got clauses added to, to give you the necessary powers?**

**JH:** Yes, that’s the only way we could do anything. We had lots of secondary legislation powers, we could get primary legislation through, but we had to join the Westminster queue. And then we had to get, obviously, the Government – we were a Labour government in Westminster, a Labour government in Wales – to adopt our legislative proposal. Paul Murphy actually took that through, now Lord Murphy of Torfaen, as Secretary of State for Wales. So we used that [the Children’s Commissioner for Wales].

To show the huge range of responsibilities and commitments I had, I wanted to close all the long-stay, what used to be called, mental handicap hospitals. I mean, we were ahead again in Wales through a previous strategy before devolution, the All Wales Mental Handicap Strategy, to start closing long-stay mental handicap hospitals. They’ve closed now, basically. Many had been subject to, unfortunately, investigation. But in those days, they were massive old Victorian buildings and we had one in Cardiff called Ely Hospital, which was the first to close as a result of an inquiry. So I was also working with parents and carers and Mencap, mainly, to get this programme through, which required a huge investment, to close these institutions and develop community living arrangements. Child and adolescent mental health was beginning to rise up the agenda, sexual health services.

Then all sorts of things used to happen, like there’d be an outbreak of meningitis. You’re trying to achieve things and do things and then there’s a crisis like the Waterhouse Report, like a meningitis scare, we had a scare of CJD [Creutzfeldt-Jakob disease]. In a sense, being a minister, especially Health Minister, was about dealing with crises because it was seen to be your responsibility. I remember once a surgeon in Llanelli sadly took the wrong kidney out of a patient, and the patient died, and they said it was my fault. That was the kind of climate it was in. Actually, it hasn’t really changed. If you are Health Minister wherever and whenever, you are absolutely at the sharp end. It is a very, very tough job. And I did it for nearly six years because I was reappointed in 2003 by Rhodri Morgan, the First Minister who took over from Alun Michael when he resigned.

Then there’s the history, in terms of the fact that we then went into coalition with the Liberal Democrats. Rhodri Morgan had become the First Minister. There was some time before he then formed this coalition with the Liberal Democrats, there was some reshuffling, because there had to be places made available for the Liberal Democrat ministers. And that always causes some tension, some disagreements about whether we should have gone into coalition. But we took that through to 2003, the next

election. Before the next election I represented a very, very marginal seat. The bookies had that I would lose my seat because I'd been Health Minister, and because it had been such a tough time. As well as all of this happening, there were campaigns to keep hospitals open and not close facilities, so wherever you went there'd be a demonstration saying: "Do not come here to close..." – which I wasn't. I was trying to maintain services but trying to move as much as I could into public health, primary healthcare, tackling health inequalities. So at the 2003 election they thought I would go. Actually, I did have a vote of no confidence during the first term because I hadn't met a waiting time target. We used to have quite regular votes of no confidence in ministers. There was a vote of no confidence in the Agricultural Minister first of all, Christine Gwyther, and then mine was about the waiting times, but we got through that.

We also took some very important political decisions. That's when Mark Drakeford came in as our special adviser. He's now our Finance Minister and one of our leadership candidates. I worked very closely with him. We rejected the Labour Government's PFI [Private Finance Initiative] model but we'd inherited a couple of PFI hospital schemes which we couldn't really get out of and there were also two or three school schemes. But we decided that, especially when the money started coming in in 2000, that we would invest public capital in health rather than using PFI.

**AP: So there was a deliberate decision to diverge from the UK Labour Government in certain respects?**

**JH:** Absolutely. We decided this with Rhodri: this was the time of the 'clear red water' speech that Rhodri made. We sought to make it as collaborative and respectful as possible, but these were the early days of devolution and there were certainly some detractors – some who were in the PLP [Parliamentary Labour Party], not just the Welsh PLP, and in the UK Government – who weren't so in favour of devolution. But we just said we're not going to do it. There were other examples: we said no to foundation hospitals and trusts, we said no to academies, that moved into no to free schools and everything else. We started talking about Welsh Labour, 'Made in Wales' solutions. Rhodri did the heavy lifting at a prime ministerial level, in terms of "this is what Wales needs and what Wales wants."

We always say that we did exactly the right thing not to go down the PFI route. We managed to build a number of community hospitals and facilities as a result, just using public capital. And we have a much lower PFI repayment bill compared with Scotland and England. In Scotland at the time, of course Labour was in coalition with the Liberal Democrats and they went for the PFI in a big way, but we didn't.

The Labour Government in Westminster was ploughing a particular furrow, we wanted to do things differently. We were seeking to, and eventually did, get rid of the internal market in the health service. When the Labour Government said they were going to abolish community health councils, which we felt was very much because they had a

say in consulting when closures were being proposed, we said we weren't prepared to get rid of community health councils, that we wanted to keep them in Wales and that they had a very important role to play.

I was having a very challenging time trying to reassure local communities that some change was needed in the health service, you couldn't have a full accident and emergency service in every district general hospital. So I spent a lot of time with people, with community groups, with action groups, trying to help change go through, sometimes with demonstrations but mostly with dialogue. Because we felt we wanted to be citizen focused but we did have to make these important changes, particularly with issues around safety in terms of provision of health services.

At the same time, in those early days, I was responsible for developing the voluntary sector partnership scheme, I was responsible for equalities. We really had to do everything because there were not many of us. And we were in the early days, part of this strange thing called the corporate body where we were all members of the committees: we didn't have a split between executive and legislature. That all came in the next Government of Wales Act [in 2006] and then the referendum for primary law-making powers [in 2011]. So when I was reappointed to the health job after the election in 2003, I'd already been one of the longest-serving health ministers and then I went on for a bit longer. And it was very, very tough doing that job.

**TKB: How effective was the support you were getting from the civil service at that stage? Because they were new to having ministers as well.**

**JH:** Yes, I think it was tough for the civil servants. In the early days of devolution, they were working weekends, they were struggling with this level of responsibility to ministers, where they'd previously only had one Welsh Office Minister and the Secretary of State who really only relayed to the permanent secretary. They had to learn a whole new way of working. In the early days, we didn't even have special advisers, most of us. But when Rhodri Morgan became First Minister, he actually advertised for special advisers.

**TKB: For each minister or for the team of ministers?**

**JH:** They mostly had more than one area of responsibility, and that's when Mark Drakeford was appointed. Good special advisers can be such an important interface and support, not just for ministers but to interpret and translate and engage with the civil servants. We have had very good special advisers and some who haven't managed to hack it in that way. But civil servants have, I think, had to learn a lot. It's been difficult because ministers can be very frustrated. But I think it's often how you treat people and if you develop a good relationship. I mean, you can tell when people are out of their depth, and you can always say: "Well, I just don't think this is working," to senior people.

In the health job, the Chief Medical Officer [CMO] is a crucial role because they are the doctor and they have a kind of clinical, professional role. And sometimes they have to stand up to their colleagues, officials as well. I was always very fortunate with the CMOs that we had, because you wanted to make sure that everything was evidence-based in terms of clinical appropriateness but within our political philosophy and objectives.

We've managed to attract some bright people in from outside the civil service. In fact, there was a recruitment drive leading up to devolution, so people came from outside in. Mind you, they had difficulty getting engaged in the new culture of the civil service. But the concept of a public service for Wales is still developing, it's still growing. We've a very small civil service and everyone was out of breath I would say! Very quickly.

**TKB: After health, you were the equivalent of the Chief Whip and Leader of the House, and you did that role later on as well. What kind of different challenges were there in that compared to when you were doing the policy roles?**

**JH:** Well, in 2003 we won 30 seats, so we were able to just take power and we didn't have a minority government. But then one of our former ministers left the Labour Party, Peter Law, and sadly became ill, around the time that I was appointed to what was called Business Minister at the time. That was going to be a real challenge: handling all of the relationships and what was emerging out of that sad fact that we'd lost somebody from our Welsh Labour group in the Assembly. So it was moving into minority administration, and that's firefighting all the time in terms of votes and developing alliances with other parties where you need it, and that could be on a day-to-day basis.

Also because I'd had [as Health Minister] such a huge range of responsibilities, I did some responsibilities that I felt I would be suited to co-ordinate. One of the difficulties of government is the fact it's still so silo-based and competitive between departments and ministers, so we were trying to do more cross-government working. So I became a sort of children's minister and equalities minister as well as doing Chief Whip and business management.

**AP: And those were delivering cross-cutting portfolios that weren't linked to a particular department?**

**JH:** Yes, that's what we were trying to do.

Anyway, we got through to the next election, but then in 2007 we were back to 26 seats. I was the Business Minister at the time. Rhodri Morgan then decided that we should go into coalition with another party. The Lib Dems, Tories and Plaid [Cymru] had had some discussions about forming a 'rainbow coalition', but some members of Plaid and the Lib Dems said they weren't prepared to play ball with that. So Rhodri Morgan asked me to negotiate with Plaid and we then came up with the One Wales manifesto



for a One Wales government. Both parties had special conferences and the Coalition [Labour-Plaid Cymru, 2007–11] was approved. During the time Rhodri Morgan was still caretaker First Minister and I took on a role called Minister for Business and Budget, which is like keeping the Chief Whip and Assembly business role and doing finance. They are very linked when you've got a minority administration because you have to get the budget through. That was for six weeks and then when the Coalition was formed and he appointed his Cabinet, I became the Education Minister.

Very quickly moving on, I was Education Minister from 2007 to 2010, when Rhodri stood down and Carwyn became First Minister. We were still in coalition with Plaid and Carwyn Jones appointed me as, again, Minister for Finance, or Business and Budget as we called it then. But I became the Minister of Finance and Leader of the House at the same time. That Leader of the House role came and went a bit but basically, up until the last election in 2016, I had those roles. In 2011, we were back into a minority administration, so one of my key roles as Minister for Finance then was to get the budget through. For six years I was Finance Minister and I did deals with the Lib Dems, Plaid, Lib Dems and Plaid...

**AP: Everyone but the Conservatives?**

**JH:** Oh, we never went near the Conservatives, no. For 20 years they voted against our budget. Every single time.

**AP: So because it was a minority government, your focus in that role had to be on doing deals with the other parties. But presumably you were also having to negotiate with Cabinet colleagues in dividing up the pie. How much of your time was focused on that side of it and how difficult was that?**

**JH:** The role of Finance Minister or Chancellor is all about relationships. Others can do the sums for you, it's absolutely all about how you relate and how you lead the team.

**AP: And this is now in the context of austerity, so you must have had to make difficult decisions.**

**JH:** Yes, from 2010, very difficult decisions. I also made some very strong political decisions. In June 2010, the Coalition Government [in Westminster] came in with an emergency Budget calling for cuts in revenue and capital spending. And I just said to the Cabinet: "I don't think we should do this." We didn't make the cuts, we took the money out of our reserves. We had to make a marker about challenging austerity. You can't go on with that because the reserves are finite, and also the Treasury rules are still very strict, they've got such a strong grip on devolution. We still had "end of year flexibilities" that we couldn't carry forward.

**AP: And you can't move money between resource and capital budgets?**

**JH:** No. We had all sorts of restrictions like that. When you're in that position, obviously you have to have the First Minister and the Cabinet behind you in terms of overall policy and budgetary direction but that then meant lots of bilaterals, particularly with health and education, which are always the tough ones, and housing. So it was about building relationships with my colleagues.

They knew they were only in government because we had to do these deals with other parties, and they were also recognising that they were going to be very constrained. My approach to budget-making, which is why we never did deals with the Tories, was to seek policy areas which we all agreed on. So these deals that we did related to things like apprenticeships. With the Lib Dems, we introduced this thing called the Pupil Deprivation Grant, which is a bit like the Pupil Premium, a Welsh version of it. We developed an integrated care fund, bringing health and social services together. There was Supporting People, which was a programme supporting vulnerable people. These were all things where, in policy terms, there wasn't a lot of difference between Labour, Lib Dems and Plaid – social policy, economic policy. So those were the areas that we would go for. Obviously they also wanted things on a capital level where we gave some. You have to really avoid the pork barrel politics in terms of these things. But if there was a case, if something was in a capital programme, a road development or a public capital development, then we could say: "Well, maybe we could bring this forward if this could help with getting an agreement with another party." Often as a result of this, the parties abstained rather than supported a budget but that was all we needed.

So I think the most interesting by far ministerial job I ever have had was those six years. The health one was fascinating yet tough and difficult. But in terms of government and being able to progress things and deliver for colleagues... I always said: "I'm here to enable you, this is not an ego trip; this is about enabling the Government and enabling my colleagues to progress." That did result in a measure of mutual respect.

**AP: Did those deals with the Liberal Democrats and Plaid drag up your overall level of spending or were you able to keep within the limits you'd set yourself?**

**JH:** That's where officials are absolutely critical. You need good officials in finance who can do the sums, and can be absolutely reliable about risk and opportunity. So even in those times of austerity, where we would perhaps have an overall planning assumption in terms of the budget and reserve, which would be around 1%, we would identify that we had to have some resource for these budget agreements. Sometimes, because it went with the grain of our Labour objectives anyway, this might mean that one budget holder got a better settlement because of the deal. There are things that always suffered in these times, culture and leisure, the things that are not statutory. And I remember a Plaid minister saying when we were in coalition: "How can I expect you to

put money into a museum when people's lives are at risk?". So people recognised that. But we had to manage it within the overall budget.

**AP: Did you set areas that would be protected from cuts in all circumstances in the way that the UK Government tried to do?**

**JH:** We did pretty much the same, health and schools. But, we'd already been doing quite a few other different things from the UK. From the end of the Labour Government into the Coalition Government, we had a much more generous student fee regime, which I was responsible for delivering when I was Education Minister. We developed a Foundation Phase [for 3–7-year-old children]. We developed the equivalent of Sure Start, called Flying Start, and we've never cut it. We protected things like Supporting People, Flying Start, not just blandly schools. We've tried to focus on measures and spending priorities that actually do make a difference in terms of early intervention and prevention. This was all beginning to be very much the budgetary parlance of civil service and public service delivery. Obviously public services came first, but how you intervene in terms of the economy is very integrated with everything else that you're trying to do in terms of education, skills and also infrastructure. When I was the Finance Minister, I was also responsible for infrastructure. We had a Wales Infrastructure Investment Plan and we developed a very strong procurement policy and an ethical code on procurement. So we were trying to also develop different ways of using the resource that we had, limited though it might be, to invest in public sector infrastructure.

**AP: Did much of your role, particularly in the finance job, involve negotiation and working with ministers in Westminster?**

**JH:** In the portfolio responsibilities of health, social services, education, yes. Sometimes it was a matter of just having a relationship. With the Labour Government, it was about making sure we had good working relationships, making sure in times when we were diverging that there could be some recognition of where we are. But up until the fact that we had law-making powers, as I said, we had to go to Westminster to get our colleagues to enable us to put legislation through. So we had to have good working relationship with colleagues.

In the time of their [the UK] Coalition, at one stage I was on a Joint Ministerial Committee for Europe. I was the only Labour minister in the room. We had SNP, we had Sinn Féin, we had a Unionist, we had Lib Dems and Tories and I was the only Labour minister. Since 2010, we've been the only Labour administration in town. And of course Carwyn has been the only Labour First Minister. So we've had to deal with everybody but at different levels and at different times in terms of my portfolio. A lot of the finance ministerial work was about just handling things back down here [in Cardiff], making sure things were operating.

**AP: Did you see much of a change in how the Treasury would work with you when there was a shift from Labour to the Coalition at Westminster?**

**JH:** I had very good working relationships in the last year of the Labour Government as Finance Minister. Mainly we had something which still goes on called the Quadrilaterals, which is the finance ministers which came with devolution, from Scotland, Northern Ireland, Wales as well as the UK Government. But it would be at Chief Secretary [to the Treasury] level. A lot of that was about negotiating for our budget.

We haven't mentioned the word Barnett, but Andrew Davies initiated the Gerry Holtham review of the Barnett Formula and I took that through when I became Finance Minister, and it actually reported when I was Finance Minister. So during the period of coalition, I spent a lot of time over the whole five years regularly meeting with Danny Alexander who was the Chief Secretary, and the Secretary of State for Wales, to make the case for Gerry Holtham's reform of Barnett, for 'fair funding'. And it did result in the end with what's called the 'Barnett Floor', where we have an adjustment to Barnett to take into account our needs and circumstances. That was very interesting because of course it wasn't in Scotland's interest to back us in what we were trying to do. So I was also making sure that I had good bilateral relations with the Scottish SNP [Scottish National Party] ministers, which I did have throughout that period of time. John Swinney and I were both Finance Ministers for the whole period of time. We made common cause about tackling austerity and all sorts of issues around the restrictions on our budgetary arrangements. So I spent more time during the Westminster Coalition years, negotiating with ministers in Westminster.

**AP: Right, and you would have been involved in those formal disputes that were raised about the interpretation of the Barnett Formula.**

**JH:** Yes, we had a formal dispute on the Olympics and I was fully involved in all of that. With Cameron, with the Coalition, it was all supposed to be about respect. But because we had a Lib Dem Chief Secretary, I was also encouraging our Lib Dems in the Assembly to make sure that he was delivering on things that would be good for Wales. So he was under pressure from Lib Dem Assembly Members here to try and deliver on the Barnett reform. And in the end, obviously it passed on to the next government to resolve this. We now have a fiscal framework.

**AP: Yes, after the Wales Act 2017. There've been these successive further transfers of power, devolution as a process not an event being proven true all the way through. How much of a challenge do you think the Government here has found it to take on these ever-increasing functions and to make sure it's got the capacity to use the powers effectively?**

**JH:** I've been fully supportive of all of the progress of devolution, and I feel we have further to go. I'm very supportive of the consultation that's been carried out on making

‘A Parliament that works for Wales’. An expert panel was appointed by the Presiding Officer, which is recommending we should have 80 to 90 members. Certainly, having gone from being a government minister to being a backbencher, there just is not time to scrutinise government effectively. And our powers have increased dramatically for ministers, and that means if you want a good Parliament you’ve got to have good capacity for select committee equivalents. So I’m fully engaged and embracing and supportive of all of the developments.

But we haven’t got the numbers and we haven’t got the capacity yet in the Parliament. Ministers do need the best people in the job and they need the resource to do the job effectively. Now we’re already looking to the future in terms of transferring further powers as a result of devolution. I think one of the things I’d say is “powers for a purpose,” that is what Rhodri Morgan always said. We’re not nationalists, we’re Welsh Labour, we’re internationalists, and we want to have the powers that will work for Wales, but we will not take anything without the money. Over the years, things have been transferred, sometimes at the convenience of the UK Government, and we haven’t always had the budget transfer.

**AP: Like what in particular?**

**JH:** Cafcass, that’s the Children and Families Court Advisory and Support Service. In the early days when I was Health Minister, Prison Health Services were devolved to Wales. It was quite tough transferring student support. There’s this debate at the moment about whether we should transfer some of the welfare responsibilities, work and pension responsibilities. In Scotland, they’ve taken on the administration of some welfare benefits. The problem is that social security is not devolved, so we’re having to deal with the impact of cuts and the flawed development of policies like Universal Credit. So if we were to take on any more responsibility, we’d have to be sure that we got the money with it. We’ve got all sorts of powers that are sort of half transferred infrastructure, rail infrastructure etc.

**AP: And the tax powers.**

**JH:** Yes. Now we’ve got a Welsh Treasury – and I helped set up all of that – we’ve got our tax principles. But we’ve got to be very careful, in terms of tax powers, that we don’t lose out on that because we will be responsible. So we will be cautious. Certainly that’s the tenor of the way we’ve moved so far. Devolution means that we’ll never be the same. We now very much need the constitutional discussion about where all the nations sit together.

**TKB:** What do you think is the most important thing you learnt over the 19 years about being an effective minister?

**JH:** As I said before, leadership is about understanding roles and relationships. I believe that I have shown that to be the case.

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