SHUFFLING THE PACK

A brief guide to government reshuffles
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Introduction

The reshuffle is one of the most potent weapons in the prime ministerial armoury – albeit one that can occasionally explode in the face of the person using it. Enacting legislation, implementing public service reform, or rooting out government waste can take months or years, with no guarantee of success. But on reshuffle day a prime minister, in principle, wields unlimited power.

In practice, things can feel rather different, as prime ministers are confronted by a range of constraints. Even when a PM does formulate a bold plan to remould the cabinet, there is much that can and often does go wrong. Reshuffles also carry political risks for prime ministers, given the inevitable creation of enemies and disappointed allies on the backbenches.

From a personal point of view, the reshuffle can be draining too: past leaders have described having to break the bad news as "a ghastly business" (Tony Blair),1 "the most distasteful...of all the tasks which fall to the lot of a prime minister" (Clement Attlee), and "something you have to grit your teeth to do" (Margaret Thatcher).2 Yet, perhaps surprisingly, most recent prime ministers have carried out reshuffles on a near annual basis, calculating that the political benefits can outweigh the risks and the sheer unpleasantness of the experience.

Typically, reshuffles are interpreted through a narrow political lens. But a broader test that should be applied is whether reshuffles have any impact on the effectiveness, the performance or the policy direction of the government.

The current administration is unusual in its high degree of personnel stability. Since May 2010, David Cameron has made changes to his ministerial team only in the event of resignations (of David Laws, Liam Fox and Chris Huhne from the cabinet, and a few junior ministers). Even then, he has kept changes to a minimum. One reason for this is the extra complexity of the coalition context. But the PM also appears to have taken a deliberate decision not to follow the tradition of the annual reshuffle, which many Whitehall officials and others consider disruptive and not conducive to good policy making.3

Most current reshuffle speculation has been around the questions of who is likely to move where. There has been less discussion of why and how the prime minister should reshuffle his ministerial team. This short paper attempts to address these latter questions.
1. Reshuffles can signal weakness as well as strength

Prime ministerial weakness is shown when a PM feels unable to remove an opponent or rival from within the cabinet. Blair of course never dared to replace Gordon Brown at the Treasury. Similarly, John Major’s 1994 reshuffle was interpreted through the lens of whether he had the strength to sack or demote the Eurosceptic “bastards” in his cabinet. The answer was no.

The exercise of his constitutional power can damage a prime minister more than it benefits him. As Alastair Campbell notes, “You know with absolute certainty that today’s broadly loyal minister is tomorrow’s bitter and backbiting backbencher.”

Harold Macmillan’s 1962 ‘Night of the Long Knives’ reshuffle, which saw a third of his cabinet removed, is often seen as the exemplar of a reshuffle that backfired. The dismissal of Chancellor Selwyn Lloyd elicited widespread sympathy for Lloyd and criticism for Macmillan. Since a further extensive reshuffle was politically beyond the pale, Macmillan was subsequently said to be “the ‘prisoner’ of his new cabinet in a way in which he had not been of the old.”

Sideways moves within the cabinet are particularly likely to go wrong, since a minister can refuse to take the new job and threaten to resign if not left in place. This worked for Alistair Darling – who rebuffed Gordon Brown’s attempt to dislodge him from the Treasury in 2009 – but not for Charles Clarke, who returned to the backbenches in 2006 after Blair refused to retain him as Home Secretary and Clarke refused to move to Defence or the Department of Trade and Industry.

Despite the risks, Blair’s former chief of staff Jonathan Powell strongly advises prime ministers to “err on the side of sacking more people and bringing on more young talent faster”. He notes that failure to replace poor performers will undermine the government in any case, while a successful reshuffle should help to shore up the prime minister against attacks from those who have been dismissed.

2. Reshuffle with a purpose

Reflecting on his mixed experience of reshuffles, Tony Blair counsels that “you should always promote or demote for a purpose, not for effect”. Harold Wilson likewise argued “There has to be a central strategy in cabinet formation which must reflect the prime minister’s broader political and policy strategy.”

The key is to have a clear sense of why you are making the changes and to communicate their purpose effectively. In Alastair Campbell’s diaries, he notes that Blair’s first (1998) reshuffle had three core messages: “women” (with promotions for Margaret Jay and Patricia Hewitt, for instance), a “strong centre” (with Jack Cunningham appointed as cabinet “enforcer”), and “New Labour” (with Peter Mandelson brought into cabinet).
More important than the short-term media response is whether changes to the membership of cabinet produce a significant change of direction for the government. In September 1981, Margaret Thatcher undertook a sweeping reshuffle of her team with a clear ambition in mind. In the face of cabinet divisions over economic strategy and industrial relations policy, she moved against her ‘wet’ critics, and remoulded the cabinet into a recognisably Thatcherite one for the first time via the promotion of Norman Tebbit and Nigel Lawson.

Slightly less dramatic but with a similar logic was Tony Blair’s attempt after his 2001 election victory to place Blairites into key public service reform departments such as Education (Estelle Morris) and the Home Office (David Blunkett), with Alan Milburn having already moved into the Department of Health before the election. By this point, a former adviser reflects, Blair and his core team had recognised the limitations of trying to drive change from the centre and saw the need to get trusted New Labourites in place to carry forward the revolution.13

3. Reshuffle to enable policy change

A reshuffle can be used to change policy in a particular area. While Macmillan was damaged politically by his ‘Night of the Long Knives’, the change of chancellor from Lloyd to Reginald Maudling was the catalyst for an important (though ultimately unsuccessful) shift in economic policy to what was termed “expansion without inflation”.14

Under Thatcher, the replacement of Keith Joseph with Kenneth Baker at Education marked the start of a major reform of education policy, leading to the creation of the National Curriculum, Ofsted and much else.

More recently, Gordon Brown’s 2008 reshuffle, carried out in the wake of the Lehman Brothers collapse, was notable for the unexpected return of Peter Mandelson as business secretary. The personal authority of Mandelson, as well as the expanded scope of his new department, enabled him to have an important influence on the government’s economic policy over its final 18 months. In particular, the government’s more activist industrial policy can, in large part, be attributed to him.

4. Think about how you reshuffle not just who you reshuffle

A former Downing Street official reflects that the reshuffle process is “the antithesis of a normal selection process”.15 There are no applications, no interviews, no job criteria and no right of appeal for unfair or constructive dismissal. Yet the prime minister does have to bear in mind some aspects of the process, if he is not to build up resentment on the backbenches and around the cabinet table.

Much of the criticism Macmillan received in 1962, for instance, was a result of the hurried way in which the changes were announced (a response to leaks to the press), which “did him irreparable harm, shattering his reputation for imperturbability and ‘unflappability’”.16 Tony Blair was also renowned for being a poor ‘butcher’, due
to his dislike of having to dismiss his colleagues. On one occasion, Keith Vaz was called in to see the PM, who spent half an hour telling the delighted Vaz what a good job he was doing as Minister for Europe. As he left the office, it was left to Jonathan Powell to break the bad news.17

It is vital for the PM to “grasp the personal nettle” (as a former cabinet secretary put it)18 and break the news clearly and unambiguously to avoid confusion. Of course, there are ways that PMs can seek to soften the blow – a longstanding gambit has been to appeal to wider party interest and the need to make room for the next generation.19 However, implying that a minister is over the hill is unlikely always to pacify – Barbara Castle is reported to have taken offence at this in 1976.20

As Jonathan Powell argues, there are some courtesies that PMs should use to avoid unnecessary embarrassment for ministers on their way out.21 One such is to conduct the dismissals the night before the reshuffle proper, and to do this in the House of Commons, away from the gaze of news cameras and paparazzi in Downing Street.

5. Matching people to jobs

Reshuffles will always be interpreted first and foremost in political terms. However, PMs can use the reshuffle process to try to align individuals and their skills with the demands of particular jobs. This was apparently Tony Blair’s aspiration in 2001. Alastair Campbell recalls the prime minister saying he wanted “to put the right people in the right jobs, regardless of all the usual personality stuff”.22

Margaret Thatcher saw the value of the reshuffle as a lever for shifting the ideological balance of her top team, yet she also carefully assessed the personal strengths and weaknesses of her ministerial colleagues. With her position secure after the 1983 landslide, for instance, she dismissed David Howell, writing: “He had the detached critical faculty which is excellent in Opposition...but he lacked the mixture of creative political imagination and practical drive to be a first-class cabinet minister.” On the promotion of Lawson, she wrote: “He is imaginative, fearless and – on paper at least – eloquently persuasive. His mind is quick and...he makes decisions easily...a genuinely creative economic thinker.”

Rarely will specific subject matter expertise be taken into account, though jobs in the Treasury may be a partial exception, with economic knowledge an asset. In fact, one official suggested, a record as a backbench campaigner in a particular area might even be a hindrance to promotion to the department in question, since it might be harder for such an individual to defend a collectively developed government line.23

In planning the reshuffle, the PM will gather information from a range of sources about the performance of ministers and MPs. The PM will naturally have a stronger impression of fellow cabinet members. But for those lower down the hierarchy, the whips office will provide intelligence on performance in Parliament. And permanent secretaries will offer informal assessments of junior ministers across Whitehall. So too might members of the Downing Street Policy Unit.
In the end, though, the scope for an evidence-based reshuffle is constrained by the sheer limitation of numbers in the Westminster system, where almost all ministers (and all senior ones) must be MPs. Even for a government with a comfortable majority, the ratio of potential ministers to jobs is relatively small “once you’ve eliminated the bad, mad, drunk and over the hill”, as former whip Tristan Garel-Jones memorably put it. Over time, as longstanding PMs find, the problem becomes worse. The proportion of unappointable backbenchers naturally grows as ex-ministers join the ranks of the discontented. Overall, it has been argued, the PM has at his disposal “not so much a talent pool, more a talent puddle”.

6. Striking a balance

The reshuffle process is greatly complicated by the need to maintain balance within the government on a number of dimensions. Gender is one such factor. David Cameron famously pledged to get to a point where a third of his ministers are women; while Nick Clegg has regularly criticised his own parliamentary party’s lack of diversity. Currently just one in six ministers are women (21 of 121, including whips), but in the Commons it is just one in nine (11 of 95). And there are only 44 Conservative and Liberal Democrat women on the Commons backbenches to rectify this – 34 of whom only entered Parliament in 2010. The Coalition also performs poorly on other diversity measures, meaning that demotion of the very few ministers of ethnic minority background would be seen as an embarrassment.

Balance between different cohorts of MPs is another constraining factor – particularly on the Conservative side where 2005 entrants are seen as a troublesome cohort, liable to further rebellion if they feel that the more Cameronite 2010 arrivals have overtaken them in the promotion queue. Under Labour, a former adviser confirmed, attempts were also made to achieve a degree of regional balance.

The PM must also think about the balance in individual departments. A reshuffle should seek to create well functioning ministerial teams. Naturally, secretaries of state will often wish to have a say over the appointment of junior ministers in their department. A former Downing Street official emphasises that reshuffle day (with all its fluidity and uncertainty) is the point of maximum leverage for newly appointed or moving cabinet ministers, and that the more astute use this opportunity to shape their team. (Others, he said, would be so excited about their promotion that they’d barely listen to a word and run out to “ring their mum”).

In a coalition, there are specific considerations. As discussed in a previous Institute for Government report, there has been growing recognition in Whitehall that junior ministers from the opposite party to their secretary of state (usually Lib Dems in big Tory-led departments like Health, Education and the Home Office) should be treated as more than just a subordinate and should be resourced to play a wider “watching brief” role across the department as a whole. Nonetheless, the secretary of state may want a say over appointments, as when Andrew Lansley reportedly vetoed the appointment of Norman Lamb at the Department of Health.
7. Carrying out a coalition reshuffle

The lessons set out in this paper are almost all derived from the experience of single-party governments. But the expected September 2012 reshuffle is complicated further by the fact that this is a coalition government. The constitutional position remains unchanged: ministers are appointed by the Queen on the recommendation of the prime minister. But the practical reality of coalition government is that deputy prime minister, Nick Clegg, holds significant power over the appointment and dismissal of ministers.

The coalition’s rulebook – the Coalition Agreement for Stability and Reform – sets out the new rules of the game as far as ministerial appointments are concerned. First, the balance of ministers between two parties must remain “approximately in proportion to the size of the two parliamentary parties”. Second, it is explicit that it is the DPM who nominates Lib Dem ministers. Third, the DPM is entitled to “full consultation” over any dismissals of Lib Dem ministers and any further appointments to cabinet. And fourth, any reallocation of portfolios between the two parties must be agreed between the two party leaders.31

Overall, this makes it likely that the 2012 reshuffle will turn out effectively to be two mini-reshuffles, with each party making changes within its own ranks. Indeed, in other countries accustomed to coalitions – such as Germany, the Netherlands and Sweden – the allocation of portfolios between coalition partners very rarely changes during the course of a parliamentary term.32 Should the two party leaders decide to renegotiate the division of ministerial posts, then they would be advised to conclude this stage of the negotiation well in advance of reshuffle day itself, when there is plenty more that can go wrong.

One key consideration is likely to be whether there are priority policy areas where one party or the other feels it has too limited an influence. For instance, do the Liberal Democrats have enough say over criminal justice and immigration policy (their one Home Office minister holds the equalities brief)? Conversely, the Conservatives might wonder whether their ability to determine economic strategy is hindered by the Lib Dems’ holding the business brief. A further consideration might be whether Nick Clegg himself wishes to take on additional or alternative policy responsibilities, particularly now that Lords Reform has been indefinitely postponed.

It is also worth noting that even changes within a single party can alter the balance within the coalition, for instance if changes strengthen the coalition-sceptic or pro-coalition wings of either party.33

8. Managing the logistics

Reshuffles are complicated affairs not just in terms of the political calculations involved, but also in terms of the logistics on the day itself. Here the civil service team around the prime minister – his private office and the cabinet secretary – play a central role. One vital task is to organise the sequence of meetings (or phone calls)
between the PM and ministers being appointed or moved. Here the pattern is to start with the most senior ministers and work your way down through the ranks. But the plan tends to change dramatically during the course of the day, and the prime minister and his team must make swift recalculations.

A former senior official recalls a reshuffle going wrong in the Major years. With Plan A having collapsed, frantic attempts were made to reallocate people to vacancies. Meanwhile a number of MPs had arrived for scheduled meetings with the prime minister and had to be ‘parked’ in rooms all around Downing Street while a new plan was formulated. By the end of the day, frequently the only desire is to get all the vacancies filled as soon as possible. To keep the process at least roughly on track, this official advises, a sensible prime minister will have prepared not just a Plan B, but Plans C, D, E and F as well.34

The sheer number of people being moved around in a large reshuffle causes inevitable logistical challenges. PMs will meet with senior ministers face to face, but may need to do some of the more junior appointments by phone. Jonathan Powell recalls how “the appointment of junior ministers is a mass production exercise”, in which half a dozen people would be stacked up on the Downing Street switchboard and put through to the PM one by one. Blair’s staff would need to be on the ball to brief the PM quickly before each conversation and to avoid mistakes being made – a switchboard error meant that Brian Donohoe rather than Bernard Donoughue was once almost appointed to a job.35

It’s also important to keep track of the overall numbers since legislation limits the number of ministerial salaries a government can hand out. In 2005, the government was embarrassed when it ran out of slots and had to ask the minister for women (responsible for gender inequality) to take the job without a salary.36 Buckingham Palace must also be kept informed of developments, since new cabinet appointees will need to be made members of the Privy Council and to be given their seals of office.

Reshuffles are often linked with machinery of government changes. Frequently, these changes are made with little preparation or even consultation with the departments involved. One notorious case was the creation from scratch of the Department for Innovation, Universities and Skills in 2007.37 Similarly, the permanent secretary of the old Department for Health and Social Security in 1988 only learnt that his department was being split in two on reshuffle day itself.38

The desire to avoid leaks – as well as the tendency for departmental boundaries to be redrawn at short notice for political reasons – tends to preclude effective planning for machinery changes. But the disruption to government effectiveness can be significant. Future prime ministers should therefore separate out machinery changes from reshuffle decisions, and ensure that sufficient resources are put into planning for the former. (This does occur on occasion: the Ministry of Justice creation being a good example).
There is also little forethought about the handover process, with ministers expected to swing straight into action in their new jobs. The problem, a 1992 study concluded, is that “the existing reshuffles process conflates three aspects which are distinct for the ministers concerned: being informed that they are to leave their current post; being told of their new post; and taking up that post”.  

Perhaps it would be possible to carry out a phased reshuffle, with a handover period of one week or so between appointment decisions being made and the new team taking up their posts. Just like a slightly more leisurely post-election transition period (previously recommended by the Institute for Government), such a change would go against long-established British convention. But it could help to ensure a more ordered process, with less probability of problems arising.

**Conclusions**

In general, most reshuffles do not live long in the memory, save for the memory of those ministers whose careers they define. Reshuffles that change the course of the government in terms or policy direction or political strategy are the exception. Yet for the present government – given its unpopularity, its internal divisions and the scale of the economic challenges confronting the country – this must be the aspiration. As Martin Kettle recently wrote, “The Coalition, and Cameron, will have no better chance to redefine its public face before 2015.”

For reasons discussed in this paper, reshuffling in a coalition context is more complex. The delicate balance within both parties (and the growing emphasis on ‘differentiation’ in the run up to the 2015 election) means that high-profile flagbearers for the Tory right and Lib Dem left are needed at the cabinet table. Yet the September 2012 reshuffle should be treated as a reshuffle for government not for election. With two and a half years remaining until the next scheduled election, there is still plenty of time for the Coalition to make progress with its major public service reform and economic objectives. The objective of the reshuffle should be to create a unified (though balanced) cabinet team and to set a clear course for the government for the next two years.

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Endnotes

9 Powell, *The New Machiavelli*, p. 150.
12 Campbell, *The Blair Years*, p. 312.
13 Former special adviser to Tony Blair, interview with the author, August 2012.
14 Nigel Knight (2012), ‘The economics of budgets since the war’, *Centre for Policy Studies Blog*, 16 March. At: www.cps.org.uk/blog/q/date/2012/03/16/the-economics-of-budgets-since-the-war
15 Former Downing Street official, interview with the author, August 2012.
19 Tony Blair used this tactic, according to Powell, *The New Machiavelli*, pp. 143-44.
22 Campbell, *The Blair Years*, p. 538.
23 Former Downing Street official, interview with the author, August 2012.
27 Former special adviser to Tony Blair, interview with the author, August 2012.
28 Former Downing Street official, interview with the author, August 2012.
This occurred in Ireland in 2004, for instance, where the prime minister demoted two of his own colleagues who were seen by some within the party (Fianna Fail) activists as too close to the coalition partners (the Progressive Democrats). Discussed in Paun & Halifax, *A Game of Two Halves*, p. 40.

Former Downing Street official, interview with the author, August 2012.


Kettle, ‘The reshuffle question that Cameron and Clegg cannot afford not to ask’.
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