



Coalition government at Westminster

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If the general election on 12 December returns a hung parliament, one possible outcome will be the formation of a coalition government of two or more parties. Westminster and Whitehall have limited experience of coalition government, but will be under pressure to resolve any post-election uncertainty quickly. This paper explains what coalitions are, how they are formed and how they operate.

Introduction

Coalitions are one solution to the problem of forming a government in a hung parliament – that is, when no party secures an overall majority. In a formal coalition, such as the one formed by the Conservatives and Liberal Democrats in 2010, two (or more) parties jointly form a government on the basis of a shared policy programme. Ministerial roles are divided between representatives of the coalition parties.

This distinguishes a formal coalition from a 'confidence and supply agreement', such as the one concluded by the Conservative Party and Democratic Unionist Party (DUP) in

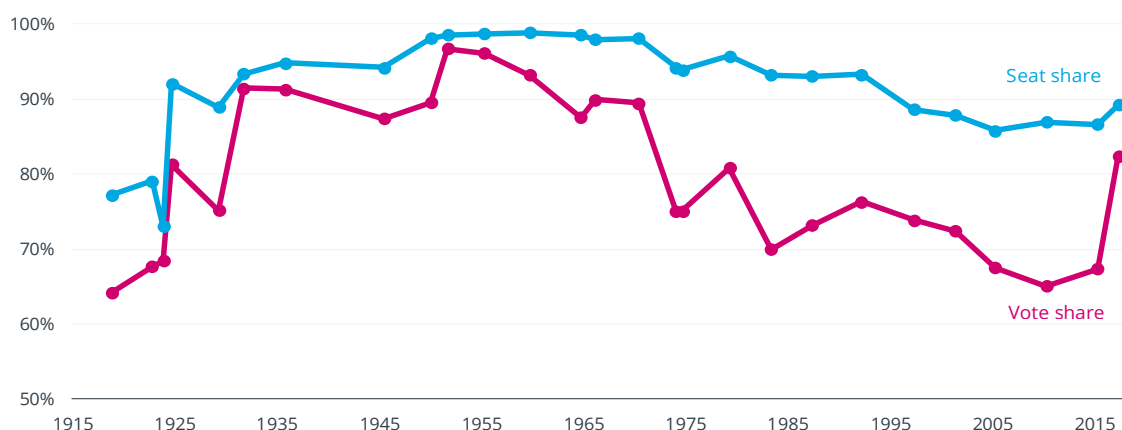
2017.¹ Under a confidence and supply agreement, the smaller party commits to lend its support to the government on key votes, but is not part of the government and its MPs do not hold ministerial office.

Coalition governments are rare at Westminster outside times of war and national crisis. Coalitions were formed during the First and Second World Wars, and the Great Depression. The Conservative–Liberal Democrat coalition in 2010–15 is the only example of coalition government since 1945.

If the four nations of the UK continue to vote in markedly different ways – and if the vote share of the two main parties declines further – coalitions are likely to become more common. In eight elections between 1945 and 1970, Labour and the Conservatives won an average of 91.2% of the vote; in five elections so far this century, the figure is 70.9% (although 2017 saw a swing back to the two main parties).

On 13 December we will discover whether the 2017 result was a blip, or the start of a new period of revived two-party dominance.

Figure 1: Vote and seat share of the two largest parties at Westminster, 1918–2017



Source: Institute of Government analysis of House of Commons Library data.

Coalitions are more common in the UK's devolved legislatures, where voting systems make it difficult for one party to secure an overall majority.² Since 1999, there have been five elections to the Scottish Parliament and the Welsh Assembly – these have resulted in three coalition governments in Wales and two in Scotland.

In Northern Ireland, the formation of a coalition between the largest unionist and nationalist parties is a formal requirement of the Northern Ireland Act 1998. This system is designed to guarantee power-sharing between parties representing the different communities (although the power-sharing executive and Northern Ireland Assembly have not been functioning since 2017).*

* For more on Northern Ireland's governance see Sargeant J and Rutter J, *Governing without Ministers: Northern Ireland since the fall of the power-sharing executive*, Institute for Government, 2019.

During the 2019 general election campaign, all the party leaders have played down the chances of a coalition. The Scottish National Party (SNP) has stated it would not seek a formal coalition with Labour, but would support a minority Labour government if it backed the “principle” of a second referendum on Scottish independence. Liberal Democrat leader Jo Swinson has “categorically” ruled out a formal deal with Labour that would make Jeremy Corbyn prime minister.³ Similarly, the DUP stated in its manifesto that it would talk to the Conservatives and the Labour Party, but would not support Jeremy Corbyn as prime minister.⁴

It is also difficult to see how the Conservative Party could reach a coalition agreement with any of the smaller parties because of disagreements on Brexit.

However, it is not unusual for parties to play down the chances of a coalition in advance of an election. Experience shows that positions can change after polling day. Prior to the May 2010 election, most commentators concluded that a Conservative–Liberal Democrat coalition was highly unlikely, while a Liberal Democrat insider asserted that the party would “find it difficult if not impossible to enter a Conservative-led coalition.”⁵

Negotiating a coalition

The UK has an unordered government formation process, meaning there are no fixed rules governing which party has the right to try to form an administration first in a hung parliament.

In some countries, the rules on the sequencing of negotiations are set out in law or the constitution. In Greece, for example, the leader of the largest party is the first to be given an exploratory mandate to form a government by the president; in Belgium, the head of state appoints one or more *informateurs* to explore coalition options. In the UK, parties are free to enter negotiations with whichever parties they choose.

Before the 2010 general election, the Liberal Democrat leader, Nick Clegg, said that he would negotiate first with the party with the largest number of seats and the largest vote share. But this was his own tactical decision and did not reflect, or create, a convention that would necessarily be followed in future.

As there has been only one Westminster coalition since 1945, there is little precedent regarding how parties should conduct negotiations. In 2010, the party leaders did not participate directly: the Conservatives and Liberal Democrats instead each appointed a team of four senior MPs to conduct the negotiations and to report back to their respective party leaders and parliamentary colleagues.

According to David Laws, one of the Liberal Democrat negotiators in 2010, Clegg had established his negotiating team around five months before the election. The Conservatives began their preparations during the election campaign, with Oliver Letwin, the Conservatives’ head of policy, studying the Liberal Democrat manifesto to identify areas of overlap and conflict.⁶

Both the Liberal Democrats and Conservatives expected that in the event of a Conservative-dominated hung parliament the most likely outcome was a confidence and supply agreement.⁷ However, on the day after the election David Cameron made a “big, open and comprehensive offer” for the parties to enter coalition negotiations.⁸

The Liberal Democrats entered parallel negotiations with the Labour Party. These made little progress,⁹ but helped them secure further concessions from the Conservatives, especially on the issue of electoral and constitutional reform. In exchange, the Liberal Democrats signed up to the Conservative-led plans for accelerated budget deficit reduction.

Parties may need to seek approval from their members or executive before concluding a coalition agreement. The Liberal Democrats have a formalised process, set out in Article 24 of their *Federal Constitution*, which requires support for a government that contains other parties to be approved by a two-thirds majority of attendees at a special conference of members.

Labour requires its leadership to consult both the party’s National Executive Committee (NEC) and the parliamentary party on any positions in the case of a hung parliament. Plaid Cymru also requires the approval of its NEC to enter a coalition at Westminster. Under the Green Party’s constitution, coalition agreements must be ratified by a Special National Convention, which all members may attend.

The Conservatives and the SNP do not appear to have fixed rules regarding the approval of coalition arrangements.

Timing

In the UK, there is a strong bias in favour of rapid government formation. Professor Robert Hazell, former director of the UCL Constitution Unit, has referred to this as the “removal van” attitude to Westminster elections.¹⁰ When the 2010 election resulted in a hung parliament, the media was quick to demand an end to the uncertainty, with one newspaper accusing Brown of “squatting” in No.10.¹¹

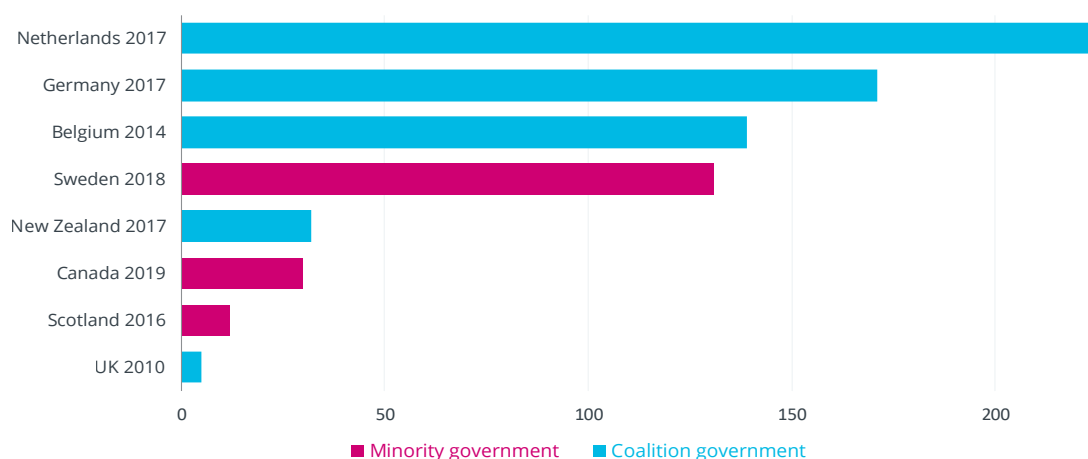
In terms of the upcoming election, the House of Commons is due to return five days after polling day, on 17 December. The [Queen’s Speech](#), which sets out the legislative agenda for a new government, has been provisionally scheduled for 19 December.

However, this timetable is explicitly predicated on the return of Boris Johnson as prime minister. The Queen’s Speech could be delayed if a hung parliament meant that more time were required for negotiations between parties on the shape of a new government.¹² There is precedent for this: in June 2017, the Queen’s Speech was delayed by two days to allow more time for talks between the Conservatives and the DUP.¹³

In 2010, the parties reached a broad agreement on policy and the structure of government in just five days. A more substantive programme for government was published two weeks after the election, along with a separate *Coalition Agreement for Stability and Reform*¹⁴ that set out how the parties would reach decisions and resolve differences.

It should not be assumed that the process of forming a coalition government would be as quick in the future – although there would likely be strong pressure from the media and MPs for a rapid resolution, as in 2010. Those negotiations proceeded much faster than is common elsewhere in Europe, including in countries where coalitions are the norm. In Belgium, it took over 500 days to form a new government coalition in 2010–11. After elections in 2017, coalition formation took over 150 days in Germany and over 200 days in the Netherlands.

Figure 2: Days needed to form a government after election



Source: Institute for Government analysis.

Confirming confidence

The *Cabinet Manual* – the formal guidance setting out “the main laws, rules and conventions affecting the conduct and operation of government”, published by the Cabinet Office in 2010 – states that when a general election does not result in an overall majority:

[The incumbent government] is entitled to wait until the new Parliament has met to see if it can command the confidence of the House of Commons, but it is expected to resign if it becomes clear that it is unlikely to be able to command that confidence and there is a clear alternative.¹⁵

In 2010, this meant that Gordon Brown remained in No.10 for five days after the election while the Conservatives and Liberal Democrats negotiated their coalition deal. In the end, Brown resigned when it became clear that Labour could not remain in office, although slightly before the other parties had concluded their negotiations.

One of the advantages of a formal coalition agreement is that it reduces post-election uncertainty in the event of a hung parliament, and signals that the new government is likely to command a Commons majority before Parliament reconvenes. The first test of a new government’s ability to command the confidence of the House is typically understood to be a series of votes on the Queen’s Speech.

The role of the civil service

Coalition negotiations are a matter for political parties. However, the civil service can support negotiations. According to the *Cabinet Manual*, this support “may only be organised by the Cabinet Secretary with the authorisation of the Prime Minister.”¹⁶

Any support must be provided on an equal basis to all the parties involved – including the party currently in government – and should be limited to factual information, logistical support and constitutional advice. The civil service is not permitted to advise on particular coalition options or negotiating positions. Guidance for the civil service on coalition negotiations published in May 2010 noted that the key principles are that:

All parties involved will be treated equally; the process will be confidential; and support will cease when a government is formed unless any continuation is authorised by the Prime Minister.¹⁷

In 2010, the civil service had prepared for the possibility of a hung parliament for months and established a team to support the negotiations. Offices and a conference room were made available in the Cabinet Office for talks between the Conservatives and Liberal Democrats; and in the Foreign Office for talks between Labour and the Liberal Democrats.

In line with the wishes of the parties, civil service support was largely limited to logistics. According to David Laws, the Liberal Democrat and Conservative teams declined offers of briefings from the Bank of England and the Joint Intelligence Committee. The civil service did not sit in on the negotiations and did not provide input into the provisional coalition agreement before it was published.

Government appointments in a coalition

The appointment of ministers formally remains a matter for the Queen, on the advice of the prime minister. There is no established formula for the division of government roles between coalition parties. In 2010, the initial allocation of Cabinet and ministerial appointments was agreed between the prime minister, David Cameron, and Nick Clegg, who was appointed deputy prime minister.

The *Coalition Agreement for Stability and Reform* stipulated that ministerial posts should be allocated in approximate proportion to the size of the two parliamentary parties. In practice, the Liberal Democrats were allocated a slightly higher share of Cabinet and ministerial roles than their share of MPs (though it was lower than their share of votes).

Including Clegg as deputy prime minister, five Liberal Democrats were appointed to Cabinet posts, including to the position of chief secretary to the Treasury, the ‘number two’ to the chancellor, George Osborne.

In the view of Laws, the first Liberal Democrat to hold the role, this was critical to avoiding a major split in the coalition on economic policy:

“It became one of the most powerful posts in a coalition. Our involvement at the heart of the Treasury also helped avoid what could otherwise have been a major split in the coalition on economic policy.”¹⁸

An additional 12 Liberal Democrats MPs were appointed as lower-ranking ministers across government.*

Overall, the Liberal Democrats opted for breadth over depth in their allocation of government roles, ensuring they had ministerial representation across most departments of state. (This was preferred to the potential alternative of each party fully ‘owning’ certain departments.) The spread allocation helped to build a sense of unified government, but may have made it more difficult for the party to maintain its separate identity.

Clegg elected not to combine the deputy prime ministership with a big departmental role, although he chaired the Home Affairs Committee and led on constitutional reform.

In future coalitions, the smaller party might opt for depth over breadth, focusing its ministerial appointments on one or two departments to best reflect its own policy priorities. This could help the party to more clearly differentiate itself from its larger coalition partner in the eyes of the electorate. (Though maintaining government unity and collective Cabinet responsibility would be likely to be more difficult in this set-up.)

Early in the life of the Cameron–Clegg coalition, the [Institute for Government recommended](#) that the coalition should increase the number of special advisers (SpAds), to facilitate negotiations between the two parties, and to provide support to ministers of state in departments where the secretary of state came from a different party.¹⁹ After initially setting out to reduce the number of SpAds, the coalition increased their number, including to provide additional support to the office of the deputy prime minister.²⁰

Working together

Disputes between parties are inevitable in a coalition. As time passes and the next election approaches, the incentive to emphasise difference over cohesion may grow. The coalition of 2010–15 provided a clear example of this. Although personal relationships at the heart of the government remained strong, divergent party interests appeared to pull the party leaders apart during the second half of the parliament.²¹

Coalition committees and bodies

At the start, the Conservative–Liberal Democrat government established two dedicated bodies to manage the coalition and resolve disputes: an eight-member Coalition Committee to act as a dedicated dispute-resolution body; and the Coalition Operation and Strategic Planning Group to consider issues relating to the operation of the coalition agreement and longer-term strategic planning. In practice, these bodies rarely met.

* For more on the role of junior ministers, see Durrant T and Lloyd L, *Becoming a Junior Minister*, Institute for Government, 2019.

Instead, the most important mechanism for reaching agreement and resolving disputes between the parties was the smaller, and more informal, group called the Quad. This body comprised Cameron, Clegg, Osborne and Danny Alexander (who replaced Laws as chief secretary to the Treasury in late May 2010). Laws credits the “inner cabinet” of the Quad with preventing the marginalisation of the Liberal Democrats in the coalition.²²

Liberal Democrat ministers also relied heavily on Clegg to personally make interventions directly with the prime minister to resolve policy disputes.

The Cabinet

The role of formal Cabinet decision making was greater during the 2010–15 coalition, when compared with the more informal ‘sofa government’ style associated with the preceding Labour administrations. Gus O’Donnell, a former Cabinet secretary, noted that coalition government “places a greater emphasis on the machinery to support collective decision-making.”²³ In 2010–15, Cabinet committees duly took on additional importance as a mechanism to ensure that the government as a whole abided by the official programme.

In 2010, the *Coalition Agreement for Stability and Reform* stated that “the principle of collective responsibility, save where it is explicitly set aside, continues to apply to all Government Ministers.” Exceptions were allowed on certain issues where the parties’ positions were irreconcilable. For example, the programme for government committed both parties to supporting legislation for a referendum on the Alternative Vote electoral system (AV, an alternative to the First-Past-the-Post system currently used), but when the referendum was held the two parties campaigned on different sides.²⁴

In addition, provision was made for the Liberal Democrats to abstain in votes on issues including tuition fees and nuclear weapons if agreement between the parties could not be reached. During the course of the Parliament, additional exceptions to collective responsibility were also negotiated with regard to the Leveson inquiry on press misconduct, on which Cameron and Clegg made separate statements in Parliament setting out their party positions.

One of the lessons of 2010–15 is that ‘agreeing to disagree’ is particularly important for junior parties, whose distinct political identity can otherwise be undermined. The Cameron–Clegg coalition recognised this early on and developed a strategy termed “positive differentiation”, in which each party was given space to lead on certain policy initiatives.²⁵

However, on big issues such as tuition fees, the NHS, schools and welfare reform – as well as the wider austerity agenda – the parties mostly held to a shared line, ensuring the effective functioning of the government. But, as the results of the 2015 general election made plain, this came at a considerable political cost for the Liberal Democrats.

Conclusion

The UK has had just one national coalition government since 1945 and there are few formal rules on how a future coalition should be formed. Nor is there much institutional memory to guide parties through the process: all of the Liberal Democrat and Conservative MPs who negotiated the coalition agreement in 2010 have since left the House of Commons; the Labour Party has no experience of governing in coalition at Westminster.

It is also likely that the parties will be under pressure to form a new government rapidly, as they were in 2010. With the UK heading towards an exit from the EU on 31 January 2020, and with the Withdrawal Agreement not yet ratified, an extended process of forming a government would squeeze the already tight Brexit timetable.

This paper has sought to explain how the process of entering a coalition could work, the choices the negotiators would face, and how decisions made in the days following the election could have far-reaching consequences for how any potential coalition functions over the subsequent years.

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December 2019

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