

**House of Commons**  
**Oral EVIDENCE**  
**TAKEN BEFORE THE**  
**POLITICAL AND constitutional REFORM Committee**  
**LESSONS FROM THE PROCESS OF GOVERNMENT**  
**FORMATION AFTER THE 2010 GENERAL ELECTION**  
**THURSDAY 14 October 2010**  
**MR DAVID LAWS MP and LORD ADONIS**  
**Evidence heard in Public Questions 1 - 75**

**Oral Evidence**

**Taken before the Political and Constitutional Reform Committee**  
**on Thursday 14 October 2010**

**Members present:**

Mrs Eleanor Laing

Mr Christopher Chope

Sheila Gilmore

Simon Hart

Tristram Hunt

Sir Peter Soulsby

Mr Andrew Turner

Stephen Williams

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In the absence of the Chair, Mrs Laing was called to the Chair.

### **Examination of Witnesses**

*Witness:* **Rt Hon David Laws**, Member of Parliament, gave evidence.

Q1 Chair: Good morning, Mr Laws.

Mr Laws: Good morning, thank you for inviting me.

Chair: Thank you very much indeed for coming to give us evidence this morning. May I begin by giving the apologies of the Chairman, Graham Allen, who has been unwell-nothing serious but unwell today-and unable to chair the Committee, and so I'm chairing it in his place. He sends his apologies. He had been looking forward to this session.

Let me begin by explaining that, as part of our inquiry into the constitution and constitutional matters generally, we are undertaking an inquiry into the mechanisms for the formation of coalition Government and we are very grateful to you for coming to discuss this with us this morning. First of all, is there anything you would like to say by way of introduction?

Mr Laws: Mrs Laing, thank you very much for inviting me. I think all I should say, by way of introduction, is just explain very briefly what my role was, so you know where I can and cannot help. I think probably the perfect person to have had here-but probably not the perfect time for him this week-would have been the present Chief Secretary, Danny Alexander, because he was not only in the talks but he was, as Nick Clegg's chief of staff, the person who had some of the discussions with Gus O'Donnell and, to some extent, with contacts in Buckingham Palace before the election, so that the process of coalition forming was well understood, and then he chaired our negotiating team in the talks.

My role was to be in a small group, which Nick Clegg formed a couple of months before the general election-probably in February or March-to think about what would happen in a hung Parliament; to consider the options, to consider our priorities and to consider issues to do with internal party communications if we ended up in some sort of partnership with another party. We had a small team of people who did that work before the election and made recommendations to Nick Clegg and to others in the party. Then it was that same team that Nick used to negotiate with the other two parties after the election delivered a hung parliament.

Q2 Chair: That is very helpful. So those around your party leader were prepared before the general election for the negotiations? We should not really be surprised at that.

Mr Laws: Yes. It was obvious that a hung Parliament was a possibility. Obviously, given that it was going to be a fairly unprecedented arrangement if a formal coalition was formed-and obviously fairly important both to the country and to us as a party-it merited quite a lot of preparation and consideration of the different options in the hung Parliament, what the key policies would be that we would want to negotiate on, how we would get the agreement of the party during that period of time and how we would interface with other parties. So there was a reasonable amount of thought that went into that, but with a relatively small group of people. As I say, Nick did not chair those meetings but he set up a couple of groups that then reported in to him and made recommendations. There were one or two meetings during the general election itself, particularly on the Sunday before the Thursday of the general election, just to take stock of where we were and to make sure that we were ready for a hung Parliament.

There had also-I think over a slightly longer period of time-been some discussions between individual Liberal Democrat spokespeople and senior civil servants in some of the Departments, about our policy priorities, so that they were prepared to have briefings and costings on some of the key policies, in order to facilitate the discussions after the election. Jim Wallace in the House of Lords oversaw that process for Nick Clegg.

Q3 Chair: Thank you. That is very helpful. Before we go into details of the history, the chronology of what happened, can I ask you a general question about the coalition agreement, which evolved and then became the key document that came out of the talks? In your opinion, does the coalition agreement carry the same weight as a manifesto commitment?

Mr Laws: I think it carries a slightly different weight, doesn't it. I mean, a manifesto is the platform of a particular party if they secure power. It is a statement of what we want to do if we, as parties, have a majority in the House of Commons. The coalition agreement reflects the fact that no party secured an overall majority, either of the votes or of seats, in the House of Commons and, therefore, we had to make compromises. I am sure that people who voted both for the Conservatives and for the Liberal Democrats sometimes write to their Members of Parliament and say, "We voted for you and we have something slightly different from what was in your manifesto". But the truth is that, as Liberal Democrats, we did not win a majority in the general election unfortunately. We only got one seat in 10 and, therefore, we could not deliver our manifesto. Therefore, this agreement now supersedes-as our commitment for this Parliament-the pledges that were in our election manifesto.

Chair: Thank you. Does anyone wish to start-Tristram first, and then I will come to you, Simon.

Q4 Tristram Hunt: Could that continue further outside of a coalition agreement? Do you see a constitutional precedent whereby you have a manifesto and you could conceivably argue, "Well, we haven't received a majority of votes, we only have 30-something. We're still the governing party but the mandate isn't there, we're going to establish a slightly different coalition". That would not necessarily be a coalition agreement, but you would have an agreement for the Government post-election. Does the role of the manifesto change, or do you think that is only unique to coalitions?

Mr Laws: I think it is particularly relevant in a coalition circumstance, if I understand your question correctly. Clearly, neither party can get all of its manifesto delivered. By definition there will have to be compromises and, therefore, you have to have some type of agreement early on that sets out, on the most difficult and sensitive issues, how you are going to deliver policies in government. The coalition agreement that was published just after the coalition was formed was a fairly short document, so it only focused on the big issues. Obviously there are compromises to be made in some other areas as well, but the coalition negotiating teams consider that they dealt with the most prickly issues. I am not sure whether I have answered your question properly.

Q5 Tristram Hunt: But in terms of being held to account at the next election, you would regard yourself as being held to account by the coalition agreement not by your manifesto?

Mr Laws: I would now, in the sense that I would say to our electors, "This is now what we're committed to delivering". But does that mean that I do not expect the electorate in my constituency to have views about what was in our manifesto and whether they think that we have done the right thing or not? Of course they will have those views, and if some part of the manifesto, which we made concessions on, has not been delivered, then they are entitled to reflect that in their voting in the next general election. But I am entitled to say to them that we did not have an overall majority; that we had to make compromises; that if we had not, there would not have been a stable

Government formed, and that if they want Liberal Democrat policies to be implemented in full, then enough people will have to vote for them to deliver them.

Chair: Thank you. Yes, Simon.

Q6 Simon Hart: This is on a related procedural point. How does this play in the House of Lords, where the Salisbury convention normally applies to manifesto commitments and the Lords deal with that kind of legislation slightly differently? Do you think that the Salisbury convention, in some shape or form, ought to apply to the commitments made in the coalition agreement, or can it?

Mr Laws: That's an interesting question. I think that those in the Lords have to acknowledge that in a coalition the circumstances are slightly different from those that pertain where a party has been able to form an outright majority; that if there is to be effective government, in a situation where no party has an overall control, then there has to be some sort of compromise between the parties after an election and that, since those parties have been democratically elected, that has to be respected. So I am sure there are those in the Lords who will make that argument about the validity of agreements reached as part of a coalition, compared with those in a manifesto by a majority party. But I think it is difficult to think, in the circumstances that we have, of a better way of dealing with this. I think ultimately, democratically elected parties, where there is no overall majority, are entitled to reach agreements of this type and expect that they will be respected by all parts of the Parliament.

Q7 Simon Hart: Would you go as far as saying that the Lords needs a convention that applies to these circumstances, because clearly the current one does not?

Mr Laws: Yes, I think you are right, that this is an issue that needs some consideration, given the potential otherwise-in not just present circumstances but in future circumstances-for people in the Lords to take different views about what type of mandate the Government have.

Chair: Thank you. Simon, is there more?

Simon Hart: That's all, thank you.

Chair: Would anyone else like to come back on this specific issue? In that case I will move to Andrew Turner.

Q8 Mr Turner: Can we start with what happened on Monday 10 May and Tuesday 11 May, when I am told Gordon Brown resigned, David Cameron took office and then the Liberal Democrat parliamentary party and its federal executive-I am reading this out-endorsed the outline coalition agreement reached by the negotiating teams. We do not have any such democratic system; in fact we are probably quite pleased not to have one. Could you just say a little bit more about what this parliamentary party and its federal executive-that is especially important-are involved in, and did this take place after David Cameron became Prime Minister and/or before Nick Clegg became Deputy Prime Minister?

Mr Laws: We have a relatively democratic process within the Liberal Democrats, in terms of the approval that is required under circumstances such as this. There had been what had become known in our party as a "triple lock", which was imposed by our conference when Paddy Ashdown was dealing with Tony Blair in the 1997 Parliament, when people in our party became rather nervous about whether or not the coalition would be formed without them knowing about it. So we had a

process of approval that required the parliamentary party, our federal executive, which is the sovereign party body, and ultimately a special conference having to sign off on the agreement.

There is a question about whether the special conference was necessary or not, which I will not bore you with because it is probably a slightly geekish side aspect of this, but certainly I think we had a higher level of party approval that was necessary. We were also faced with a situation, on the afternoon of the Tuesday, where we were seeking to conclude the agreement with the Conservative party in the afternoon and the existing Prime Minister, Gordon Brown, became increasingly of the view-I think, as the afternoon went on-that the discussions with his party were effectively at an end. At that stage, he became very impatient to resign and felt, to some extent, that he was being kept hanging on as part of a negotiation and I think the civil service, the Conservative party and the Liberal Democrats were very concerned that he should not resign too soon because, as soon as he resigned, there would then not be a Government and a Prime Minister, and the Queen would be obliged to send for somebody else to form a Government, even though one had not been agreed. I think the timing was that he resigned-having become rather impatient, as we understand it-just before we put the final touches to the coalition agreement, but where we and made most of the agreement but had not quite finished it and before, obviously, we had had the discussions in our parliamentary party and federal executive, which were, I think, at 10 o'clock that night. So, at the stage that Gordon Brown resigned, the Queen then had to call for David Cameron, as the obvious alternative Prime Minister. But he went to the palace not knowing whether he would be leading a coalition Government, or a minority Conservative Government, because we had not had a chance to go back to our parliamentary party and our federal executive to get their agreement to the coalition document.

Q9 Mr Turner: The problem seems to me to be that if, for example, the Liberals had had a plurality and the Conservatives had been the smaller party, you would not have been able to hold that meeting until after. What happens if the Prime Minister, Mr Brown, resigns and you have not done this process of going through the hoops with your executive? Is the Queen then left without anyone?

Mr Laws: That is a rather interesting question, which I would probably need to seek advice on. I imagine that the pragmatic answer-but I do not know whether this is the technically correct answer-is that I hope Nick would take up the offer to go to the Palace and say, effectively, that he had this agreement but it would be all signed and sealed later on, in the same way that we did not have the permission of the special conference before the Government was formed the next day and before Nick became Deputy Prime Minister. I don't think we needed to. We relied upon the fact that this was such an obviously appropriate agreement that our special conference would vote for it and support it. But since the eventuality of us being the larger party was not one that we planned for before the election, we did not cross the bridge of whether or not Nick would have to keep the Queen hanging on while the parliamentary party met. But I suspect, as a pragmatic fellow, Nick would probably accept the Prime Minister's job and then deal with the small print later.

Chair: I am not sure it's entirely fair to expect Mr Laws to answer that question, but that was a very good pragmatic answer. Thank you very much. I think, in answering the question, you could just about write an entire university thesis on it but that's not fair this morning. Andrew.

Q10 Mr Turner: Gordon Brown has been described in some areas as an obstacle to reaching an alternative coalition agreement with Labour. Is that what the Liberals felt?

Mr Laws: Yes. Before the election, I think that we felt that there were issues if there was a hung Parliament, and the Labour Party option was an option, about whether it would be easy to go into Government with somebody who was a defeated Prime Minister and also somebody, I think,

personally, who would be quite difficult to deal with in a coalition. He seems to be difficult to deal with in terms of his colleagues let alone another party. There was some consideration given to whether it would be appropriate to say before the election that we would not go into a coalition that was led by him. But that, of course, opens up lots of other questions about who the alternatives would be. We neither took a decision on that issue before the election nor did Nick say anything publicly, other than express his commitment to talk to the largest party in terms of votes and seats first. After the election, based upon the defeat that Gordon Brown had suffered as Prime Minister and our view that, actually, he would be impossible to work with in coalition, the view very rapidly formed itself-in the 24 hours after the election result-that it would be impossible for there to be any Labour coalition with him as the Prime Minister. That was fairly quickly communicated to him.

Q11 Mr Turner: So you are saying, "Not a hope, Mr Brown. We're going to deal with the Conservative Party in some form", with the leader obviously, either to decide to have a coalition with the Conservatives or let the Conservatives get on with it on their own?

Mr Laws: That is not quite right. What Nick had said during the general election campaign is that, whichever party had the largest number of seats and votes-we assumed that it would be the same, but obviously it could have been different-we would talk to them first, because we thought it would look very odd to the public if we went into talks first with the party that had just appeared to have lost power. Nick was very insistent about that during the campaign and he was very insistent about that after the general election result, in spite of a lot of pressure by Gordon Brown to open parallel negotiations. We were always very clear about that. That did not mean that that was the only potential coalition outcome. The view was that if the talks with the Conservative Party were not successful, and if it was possible to reach a policy agreement and to form a stable coalition with the Labour Party, that was certainly something that we were willing to consider. Obviously, we would have been mad not to because it would have weakened our negotiating position, in terms of delivering as many of our policies as possible.

Q12 Chair: If I may just follow that up, did the position, as set out by the Liberal Democrats at that point, have a significant effect on the timing of the resignation of Gordon Brown as Prime Minister?

Mr Laws: I think that they probably did, in the sense that he understood that unless he made it clear that he was going to step down as Labour Leader and Prime Minister fairly rapidly, we would not be able to enter serious talks with his party. He understood that, and in fairness, with a little bit of a struggle and a little bit of equivocation about the timing of his departure, he accepted that and therefore enabled the talks to take place.

**Chair:** Thank you. Andrew, do you have any other questions?

Q13 Mr Turner: Just one. So Gordon Brown announces that he will step down on Monday and yet the talks went ahead then with Labour and the Liberals together. The following day, Gordon Brown resigned-in the early evening, I think-and then David Cameron took office.

Mr Laws: The Prime Minister, Gordon Brown, announced that he would resign. I think it was a forward-dated resignation, it was not immediate. There was some issue about how long it would take. But he announced that on the Monday, the 10th, in the afternoon at about 5 o'clock. Then after that, fairly rapidly, there was a Cabinet meeting where he announced to them his resignation and then there was a meeting of the Liberal Democrat and Labour teams, which went on for a couple of hours. Then the Liberal Democrat and Labour teams met again the next morning to have further talks. Those did not make any progress, from our perspective, and then there were talks with the

Conservatives in the afternoon that finished around the time that Gordon Brown was resigning as Prime Minister.

Q14 Mr Turner: The problem seems to me to be that your talks with Labour happened after Gordon Brown said he was going to resign. Who leads the Labour party at that time, if the talks had shown the potential for being successful?

Mr Laws: In the talks?

Mr Turner: In the talks, obviously, but certainly who becomes Prime Minister is what I want to know.

Mr Laws: My recollection of what was agreed and announced-I hope I am getting this right-was that Gordon Brown was offering to resign but would have remained Prime Minister for a couple of months while the leadership election took place. For a while he was suggesting that he might remain for a longer period of time and help to win the AV referendum, and so forth, but we thought that probably would not help very much to win the AV referendum. So I think the idea was that he would stay on for two or three months through to the summer and there would be a new leader of the Labour party.

Chair: Thank you. Again, that is not fair: Mr Laws, you're responsible for many things but the conduct of Gordon Brown as Prime Minister is not one of them.

Mr Laws: Definitely not.

Chair: Andrew, are we finished on that? In that case I go to Stephen Williams.

Q15 Stephen Williams: Can I first of all ask, David, do you think our team and the other teams realistically had enough time to put together a stable Government? The United States has its elections, I think, the first Tuesday in November, and the new Administration-new congressman, new senators, governors, whatever-do not take office until January. Our European neighbours sometimes take months to put together a coalition government and yet we did it in a matter of four days. Do you think that is sensible in the future?

Mr Laws: Yes. Our team had a slightly different view on this. Some of my other colleagues, for instance, Chris Huhne, who is very up on the way things are done in other countries, and Andrew Stunell, who is used to local election negotiations, felt that we should take a lot of time and make sure that we got it right. During the preparation for all of this Chris was telling us how long they took to form coalitions in Germany and Malta, and all sorts of other countries. But it seemed to me, firstly, that as this was the first coalition that had been formed in this way in the UK in living memory, the public and media expectation would be very high that this would happen quite swiftly, and that they would judge the coalition early on by how efficiently this all appeared to be done. Of course, there was also a lot of instability in the markets, which we were concerned about, given the situation in Greece and southern Europe, and there was some fear that if it took a while to form a coalition that could spread to the UK. Some of us were pushing for this to take place quite quickly and viewed it as not impossible to agree the key issues quite quickly. I think this is the type of thing where the more time you allocate, the more time you will spend talking about it-you could spend weeks talking about all the entrails of it-but my view is that we could agree the big issues, more or less on the time scale that we did. I thought that was about the shortest sensible, and we delivered on this.

The other two parties were pushing harder, I think. Both David Cameron and Gordon Brown wanted a coalition to be formed by the Monday, and were talking about their concerns about what would happen when the markets opened if we didn't have a coalition or good progress towards it. I do not think that time scale was realistic or necessary. But I do not think that we lost a lot by compressing it into the time scale that we did deliver on. All we would have done, if we had spent additional days talking, is messed around with the small print and added all sorts of bits and pieces that could be dealt with, perfectly sensibly, later in the longer agreement that was published a week or so after the coalition was formed.

Q16 Stephen Williams: If you were to go through this process again-there is a very high chance the next election may result in a hung Parliament, so the parties will have to have negotiating teams, and will obviously spend the next four years about how they might do it-how do you think it should be done differently? Do you think there should be more time and would it be a nice constitutional innovation if there was a breathing space built in?

Mr Laws: I do not think I would change it, except that I think, once we have been through a process like this, there might be a bit more tolerance and patience among the public for a little more time, if it was needed. It certainly was important to us as a party that we should not feel bullied into any particular time scale that would weaken our negotiating position. But compared with 1999 in Scotland, where they formed the coalition for the first Scottish Parliament after the Scottish Parliament elections, this was a lot more of an efficient, swift process. In Scotland in 1999, where I went up as a staff member to assist in some of the background work for the negotiations, it was not until the Monday morning when any serious discussions commenced. So there were three days after the election when, as far as the media and the public were concerned, nothing happened. I do not think that does very much to reassure people that coalitions can lead to good stable government. For our party, which believes in PR, it is particularly important to demonstrate to people that you do not end up with a complete and utter shambles and no Government for weeks on end.

Q17 Stephen Williams: I have just one final question, Chair, about the two negotiating teams from the other parties. Do you think the Conservative negotiating team and the Labour negotiating team were equally prepared to form a coalition, or do you think the attitudes were different?

Mr Laws: I think the Conservative negotiating team had done a lot of work, were very serious, were very well prepared and sent us various papers-in fairness to Labour, they sent one or two papers as well. But those papers, on the Conservative side, engaged quite seriously with what the obvious issues and problems were going to be and offered solutions and that helped our talks with the Conservatives a lot. As for the Labour team, Ed Balls has said publicly that he did not think that they prepared very well, or at all, and that impression certainly came across in negotiations. In fairness, I think that Andrew Adonis had probably thought about the issues quite a lot and thought through the constitutional issues. But what was a particular problem with the Labour team was not only that we felt that they were somewhat split on some of the key issues that we were discussing, but that we did not have Alistair Darling there as the Chancellor. The Labour team seemed to suggest to us that they did not have any mandate to agree on economic tax or spending policy without the Chancellor's permission. That made it really difficult to discuss half of what were our most important issues because there was nobody in the room who was willing to take responsibility for that. That was totally different from the Conservative negotiations where the Conservative team, on almost all issues, had complete authority to negotiate.

Chair: Thank you. Sheila Gilmore would like to make a quick point.

Q18 Sheila Gilmore: It was following up the other question from Stephen. Is part of the problem that coalition building in Britain is presented as a crisis and, therefore, a lot of pressure is put on that may be unnecessary were there were a clear process, an understood constitutional process for this? I think you will agree that a lot of the media presentation at the time was along the lines, "This is a terrible crisis and if we don't do something about it..."

Mr Laws: Yes, I think that's true. In Scotland, in 1999, my recollection is that when the coalition was finally formed most of the media coverage was not about the details of it but reported, "Hurrah, at last these useless people have formed the Government and sorted it all out and the shambles is over". But I do not think there was any way around that on this occasion-the risk that the media and the public would form that view if we took a long period of time putting things together. We were worried it would take some time to get this right and that, in the meantime, the publicity would be damaging and it would damage the type of politics that we think is something that comes out of having a fairer voting system. So I think, on this occasion, it was particularly important for us to act quite swiftly and, more so, because of the state of the financial markets. But I agree with you, if this does happen again-and I suspect it's what's now happening in Scotland and Wales, where they are getting used to these things-then I think both the press and the public would be a bit more tolerant about, and understanding of, the processes and the time scale. Although I still think it is reasonable to expect two parties to have a clear idea of their negotiating objectives and get on and agree something relatively rapidly.

In Scotland, in 1999, it was not just the complexity of some of the issues and the disagreements on some of them, but how long it took the parties to get into the same room together that delayed the negotiations. This time, the parties, or certainly the Conservative and Liberal Democrat parties, were in the same room by 7.30, I think, on the day after the election-Friday the 7th-so that's when the talks started. That was a long way in advance of what happened in Scotland.

Q19 Chair: Thank you. That's very helpful. Committee, we'll go a little faster now because everybody wants to get in. Before I move to Tristram Hunt, can I ask you, as a general point, were you aware before you went into negotiations that the Cabinet Secretary had put together a new chapter to the Cabinet Manual about how a coalition might be formed? If you were aware of it, had you read it and was it helpful?

Mr Laws: I think Danny Alexander dealt with the Cabinet Secretary, along with Nick, before the election and discussed all these issues, including, I think, with the Queen's private secretary. Therefore they had a very clear understanding of what was going to happen and what was expected and what the civil service would do. They communicated that to us. My recollection is that when we had a summary of all our agreements and our strategy-which was in mid March, I think, attached to a note that Danny did that summarised our conclusions-there was the document that you are describing, as I recollect it. But if that was the right document, then it didn't seem to me to add an awful lot to what one would assume and know anyway, except for the very clear understanding that the palace did not want to be involved and that it was our responsibility to find somebody, who was going to be the Prime Minister and be able to command a majority, before putting the Queen in a position where she then had to send for somebody to be the Prime Minister. But, other than that, there did not seem to be anything that was terribly exciting in the document that would constrain or inform our negotiations.

Chair: That's very helpful, thank you. Tristram Hunt.

Q20 Tristram Hunt: On the ground, during the period of negotiations, what was the role of the Cabinet Secretary? We have had evidence from him suggesting he wanted a Government in place,

also from Monday, because he was concerned about the markets, which should not necessarily be the primary concern of the Cabinet Secretary. But what was his function during this period of negotiation?

Mr Laws: I think he, and his civil service colleagues throughout the Government, had done a good job in the run up to the election, I am sure, in communicating with both opposition parties and understanding their priorities and researching their policies. I think a lot of that work had been done and we saw some of it, which highlighted the costing of our policies, issues that the civil service were concerned about, and so forth. They had also gone out of their way obviously to have good communications-to a greater extent, I think, than in previous Parliaments-with Nick Clegg and with Danny and others to make sure that there was a clear understanding of what needed to happen. They had arranged the accommodation in the Cabinet Office; I think they had appointed a civil servant who would support our team, specifically, rather than relying upon somebody who was seen to be part of the existing Government. So they had done quite a lot of that work and that preparation. When we met, I think probably on the first formal day of negotiations, the Saturday-or sorry, maybe it was the Sunday-I think Gus offered to have the Governor of the Bank of England come to brief us, and I can't remember whether there was somebody from the security services or not, to inform our thinking, presumably particularly on the financial situation, which neither party took up because we did not think it was necessary. We suspected we knew what he was going to say and we also thought it was more appropriate for our Treasury spokesmen to talk to him, so we suggested it was dealt with bilaterally.

Gus also did offer to support the negotiations directly by having civil servants in the room taking notes, and so forth. That is very much how it happened in Scotland-in fact civil servants drafted the agreed parts of the policy negotiation and then sent it into politicians for the disagreed bits to be resolved. But, here, our parties decided that we would do the talks direct, that we did not need the civil servants in the room and, therefore, they left and the talks only took place with the negotiating teams and some note takers.

Q21 Tristram Hunt: On the role of the Governor of the Bank of England, George Osborne is on the record as saying that the Governor was invited in but-as you suggest-it was not needed. The Chancellor has suggested that was because there was a high degree of, effectively, ideological concurrence between yourself and the Conservatives, so there was no need for you to be shunted into thinking that way. You were pretty much all on the same page from Friday morning.

Mr Laws: I think the reasons that we did not take him up on that offer were firstly, that we thought we knew more or less what he was going to say; secondly, the crisis, or the potential for financial turbulence, did not seem to be quite to the extent of the type of crisis that would have required us to bring a non-political figure into political negotiations. I think also, because we felt we understood the economic circumstances, probably on our side of the table we did not necessarily feel that we wanted to be leant on in any way or perceived to be leant on. We were also offered, I think later in the talks, the Permanent Secretary to the Treasury to brief us. I think probably, although we did not get a chance to discuss our reasons for not taking it up, because this was put to us when we were in the negotiations in front of the other parties, I would have been a little bit reticent to have been seen to be bringing in non-political individuals that might influence in any way the decisions we reach. But, having said no, we then felt slightly guilty that-given the Governor of the Bank of England is an important person, his view is not insignificant-we made sure that Vince Cable was contacted so that he could have those discussions. I am not sure whether he ultimately had them, because we then had some feedback that Gordon Brown was a bit upset about what was going on, and I am not quite sure whether he managed to torpedo that proposal or whether Vince ultimately met up with the Governor. But we thought that that was the best compromise, that we would not end up getting

involved with non-political people during our negotiations but that we would make sure that somebody as important as the Governor of the Bank of England would be listened to, at quite an important time when there was still some nervousness about whether the contagion in Greece and elsewhere would spread to the UK.

Q22 Tristram Hunt: One final question. Would you say, despite it being the convention that it was the sitting Prime Minister who should have the first attempt to form a coalition, that the energy activism of the civil service was focused on yourselves and the Conservatives?

Mr Laws: In fairness to the civil service, because we did not want to look too promiscuous, we did not have our negotiations with the Labour team in the Cabinet Office, partly because we did not want to be going in and out of the same building talking to different people, which probably, presentation-wise, would not have looked wonderful. So we had our talks with Labour outside the Cabinet Office in a room in this building. Although when we started formal discussions, Gus O'Donnell did come along and he made the same offer, and we also declined it, so there weren't any civil servants in the meeting.

I am sure that civil servants would have supported us extremely professionally and even-handedly in both circumstances, but I do think sometimes there is a risk that the civil service can see the way the wind blows. And in Scotland when we were negotiating with Labour, we certainly felt that there was an inequality in the relationship between ourselves and Labour in the way that civil servants dealt with each team, because they knew who the more powerful party was. We did not have that problem, or didn't perceive that problem at all, in these negotiations I ought to emphasise. But I think that sometimes it is inevitable that strong impartiality of the civil service is qualified by a bit of anticipation of who is going to be wielding the power.

Chair: Thank you very much. Have you finished, Tristram? Simon Hart.

Q23 Simon Hart: Thank you. If we could go back to something you said earlier on in the early stages of the negotiations. Could you clarify this: you gave the impression that you went into negotiations with Labour with no real anticipation of it leading anywhere-and I'm not sure of the expression you used-but you felt you had to? Had there been a different leadership of the Labour Party at the time how much difference would that really have made? In other words, was the problem Gordon Brown or was the problem Labour? Which leads me to the second point: you referred to the impatience of Gordon Brown, and the perhaps slightly premature resignation, do you think there should be a protocol in place which limits what a Prime Minister can do in bursts of impatience at that kind of time? That picks up on Sheila Gilmore's point-if the nation knew that there was always going to be a 10-day period when a coalition would be formed, everybody would be a lot more relaxed and it would not have the feel of a crisis about it. The third, slightly more light-hearted, point is: if you were going through the motions a bit with Labour when it came to the-I think the expression was-big comprehensive offer by the Conservatives to form a coalition, were you pleasantly surprised? Did you feel David Cameron offered over the asking price or did you know what was coming down the line?

Mr Laws: On the Prime Minister issue, I think there ought to be an understanding that the Prime Minister stays on to facilitate negotiations in a hung Parliament. I think that is the expectation. In fairness to him, I think it was said by Peter Mandelson that Gordon Brown was not very keen to end up leaving Downing Street in the dark. Obviously some of the people in the media were implying that he was clinging on after he should have cleared off. Once he felt that the negotiations with Labour were going nowhere-and they weren't going anywhere after midday on the Tuesday-and he felt he was being held in place in order to facilitate the forming of a Government by other parties,

he was obviously getting quite agitated and eventually lost patience a few hours before it would have been ideal, but I think one can understand that. Had he lost patience 24 hours before, then it would have been, I think, a bit more of a problem and a bit more untidy.

On the Labour talks, we certainly went into them with very serious intent, having done a lot of work and being willing to negotiate and contemplate dealing with Labour. Our problems were twofold: firstly, we felt the Labour team had not done sufficient preparation in some areas; did not have a mandate to negotiate some of the key policy issues; did not make the concessions in some of the key areas that the Conservatives had already done; and seemed to be quite split on some of the important issues and economic policy, so we did not really know what the position was on some of the key tax spending and deficit issues. Secondly, we did not think that some of the Labour party people on the negotiating team were committed to forming a coalition. We thought some of them probably had a different view of what the Labour party's interests were. So that was one of the most important things that made us think we could not take this further. We did not think they were united or serious, with the exception probably of Andrew and Peter Mandelson.

But we did, of course, have a concern about whether such a coalition could deliver stable Government because, with Labour, it would have had to be a coalition with side confidence and supply agreements with the DUP, the SDLP, the Alliance party, a Green, and possibly the Welsh Nats. That did not seem to be likely to form the basis of a very strong Government, particularly one that was going to have to take unpopular decisions. So both parties knew that that was an issue, but I think the lack of preparedness and unity on the Labour team were also quite an important signal to us that the whole thing just was not going to work.

On David Cameron's statement on the Friday, we had expected him to make a big bold offer, including coalition, because we thought that that was what the country would expect and that they would expect all the parties to be trying to form a stable government. We did not think that parties would want to be seen to be putting their own interests before that of the country. So we expected that. What we did not necessarily expect was that it would be his preference. On rereading the statement, and then thinking about what happened afterwards, I think where he did slightly surprise us-and which perhaps we did not pick up on on the day- was that it did seem as if his preference, as far as I can understand it privately, not having had the chance to ask him about it, was for a more stable coalition-type arrangement, rather than a looser confidence and supply agreement. We had not thought that that was necessarily the course that he would go down.

Chair: Thank you very much, Simon. Christopher Chope.

Q24 Mr Chope: Can I take you back to what you said earlier on about Gordon Brown; you said there was an idea of getting him to help by staying on, so he could help win the AV referendum.

Mr Laws: That wasn't our idea.

Mr Chope: No, that was his idea and you said that was rejected, but was there ever any discussion about the possibility of Labour legislating immediately for AV without a referendum?

Mr Laws: No, I don't think that that was ever very likely. I won't say that there were not discussions about whether there did or did not need to be a referendum, but I think both sides knew that it would be very unlikely that we would want to change the voting system without one. I suspect that there was a certain amount of confusion because our view was that there needed to be a post-legislative referendum-that we needed to get legislation through first-and so what we were often talking about was that there needs to be immediate legislation on this. I think that there was

some mangling across the parties as to whether "immediate legislation" meant without a referendum but that was never on offer from the Labour Party.

Q25 Mr Chope: It was never on offer from the Labour Party and so when Conservative MPs were told that that had been put forward as an offer to the Liberal Democrats, and that, to avoid immediate legislation, they should sign up to the prospect of an AV referendum, they were completely misled?

Mr Laws: I do not think that they were misled, but I think there was a certain amount of confusion in this very chaotic period; both because there were some media reports that Gordon Brown might be able to offer that and also because some of the discussions that were had across the parties were on the basis of immediate legislation.

Q26 Mr Chope: But this was given to the Conservative parliamentary party, at the only meeting where there was ever any discussion prior to the coalition agreement being formed. What was said by leaders of the Conservative party was that this was a fact. Are you saying that the leaders of the Conservative party were mistaken, had been misled by somebody or misled themselves?

Mr Laws: I do not know because I have not discussed that with them and was not at the meeting. What was certainly true is that I do not think there would have been a coalition without the guarantee of legislation on an AV referendum. However, I do not think it was the case that there was a firm offer to us on the issue of AV without a referendum. I think what there was was a determination, on our part, that the legislation should be immediate and should not be after a referendum. That requirement for immediate legislation might have been interpreted by some as meaning immediate legislation without a referendum.

Chair: I think we have to be careful here. To help our witness, it is not for Mr Laws to answer for the leaders of the Conservative Party, but it is very helpful if you would follow Mr Chope's line of questioning on what was discussed between the Liberal Democrats and the Labour Party and what was offered by the Labour Party. Christopher.

Q27 Mr Chope: Yes, I will leave that one now, but obviously this confusion arose somewhere and I take it that it did not arise from conversations between you and the Labour Party?

Mr Laws: Not as far as I am aware and obviously I am not aware of all the discussions that there were between others in the party. I was part of the negotiating team negotiating with the four Labour negotiators. There would have been other conversations going on with people such as Lord Mandelson, who was in communication with Danny Alexander. I think that this is one of the things that was an issue of confusion in the smoke and heat of the battle.

Q28 Mr Chope: Yes. Can I just ask you: in the period leading up to these discussions, was the possibility of a minority Government very seriously being considered? You say that you got the impression that the current Prime Minister had ruled that out, very early on, and wanted to try and get a coalition. Obviously if you have a hung Parliament, you can either have a coalition Government or you can have a minority Government. With the numbers as they were, a minority Government would have been quite on the cards. Would you have been happy to go along with that?

Mr Laws: We thought that a minority Government where there was no co-operation with the Liberal Democrats, and no agreement of any kind, would be very unstable, very bad for the country, very destabilising for the financial markets, and that whichever party was responsible for delivering

that minority Government, with no co-operation, would probably face a high penalty in a succeeding general election. What we did think was quite possible-and what we thought might be a likely outcome-was a Conservative Government with a confidence and supply agreement, where we would have been sitting on the Opposition Benches but where there would have been an agreement in exchange for some policy understandings between the two parties for us to support a Conservative Government on confidence and supply issues. When we felt we could not make any progress on some issues, including electoral reform, we actually negotiated a confidence and supply agreement, and that is what we concluded in our negotiations on the Monday morning.

So we finished on Monday midday with a confidence and supply agreement between the two parties, which we both undertook to look at and which we undertook, initially, to take back to our members for their view. We did not regard that as something we were going to recommend to them because, frankly, we did not think that we had necessarily hit the bottom line on the agreements that could be reached on some of that political reform and we did not know whether David Cameron would wish to make any further moves. But we did take that back to our party members. Their view was that they wanted a full coalition with one or other of the parties, because they believed that what confidence and supply offered us was responsibility with not much power or input, and that, other than the few pledges that were signed up to immediately in the confidence and supply agreement, we would not have much ability or control over what the Government did. So we would take all the political pain of having to sign up for cuts, and higher taxes and everything, but we would not be in any control of this Government.

After our parliamentary party met on that Monday, and before the Prime Minister resigned, it reached the decision that it thought that a coalition government would be better for us, in terms of delivering policy, and also that it would be better in terms of delivering economic stability. It thought-and may well have been right-that a confidence and supply agreement would have eventually unravelled, and that we would probably have ended up with another general election, either in the autumn or in early 2011, having made no serious progress on tackling the deficit. But we did conclude negotiations on that particular option. It was our parliamentary party collectively, including Nick as leader, who thought that that was not the right way to go.

Q29 Mr Chope: And that was quite a well-formulated document, the draft confidence and supply agreement?

Mr Laws: As I remember it, it was a five or six page document that covered a lot of the issues in the ultimate coalition agreement, particularly on deficit reduction, taxation, banking reform, political reform and the environment. We had not got on to discussions on relations with the EU, asylum and immigration, and some of those areas that were tacked on towards the end of the negotiation of the full coalition agreement. So it was a shorter version of the coalition agreement that you have now.

Q30 Mr Chope: My last question is this: it has been said that you and Oliver Letwin basically cooked a lot of this up before the general election, because you have neighbouring constituencies and travel frequently on the train between London and the west country.

Mr Laws: Who said that?

Mr Chope: I read about that somewhere, and I just wondered whether you could confirm or deny whether you had any discussions with Oliver, or with anybody else in the Conservative party, about the possibility of coalition Government before the actual general election?

Mr Laws: Disappointingly, none whatsoever. I mean, disappointingly for your story, none whatsoever. I mean Oliver and I, our houses are quite near but I've never been to his house, he's never been to mine and I don't think I've ever met him on the train. We seem to go back at different times.

Chair: We're definitely getting into the Agatha Christie side of things here. That's very helpful, thank you, Mr Laws. Finally-we're about to run out of time-Sir Peter Soulsby.

Q31 Sir Peter Soulsby: Yes, I do realise we're running out of time, in fact it is the pressure of time that I wanted to return to. You have described how things became quite hurried once Gordon Brown announced he was off to the palace, but in fact you had already got a long way before that happened. You have talked about the need for there to be sufficient time for any agreement or any coalition to be formed after an election. In a sense, it was fortunate that Gordon Brown did not throw in the towel earlier and that you had reached that stage. You did talk about the need for there to be some form of convention about how an incumbent prime minister allows the time for things to happen, even if they know that they are not going to be a part of any future Government. What sort of convention do you think is needed and how could that be enshrined so that a Prime Minister who had lost an election was able to give the time, and also to show that they can leave in a dignified manner?

Mr Laws: I think there should be-and I think there probably is, but I am not sure that it is codified very unambiguously-an expectation that the sitting Prime Minister stays in place to have a stable Government while a coalition is being put together. What time scale is reasonable for a Prime Minister to wait is an issue that I do not feel qualified to answer on. The case here was that Gordon Brown did stay on, and it was fortunate that we had reached the point in negotiations with the Conservatives where we were able to publish this agreement.

I do not know what would have happened had we said to him that we were not willing to enter into negotiations at all, or had it not been for the fact that the negotiations with his party had more or less unravelled just a few hours beforehand, because he clearly was very serious himself about seeking to get a coalition and he ultimately was willing to stand down as Leader of the Labour Party to facilitate it. I do not doubt his commitment after the election to try to get this type of agreement. I do not think the problem was with him, it was with many other members of his party. But part of why he was staying on, presumably, was to try to get that coalition agreement with the Liberal Democrats. I think it is impossible to know what his view would have been had we told him, on the Friday, that the one thing we were not going to do was go into coalition with the Labour Party, but I imagine that, as a responsible Prime Minister, and individual, he would have stayed on for a period of time but that he would be-as he was getting on that Tuesday afternoon-pretty impatient.

Q32 Sir Peter Soulsby: It strikes me that there is a real danger that if a Prime Minister has clearly lost an election, has no prospect of being part of any future Government and is under pressure from the media to go-but is obviously wanting to leave with some dignity-that it could be that the Prime Minister would leave without allowing sufficient time?

Mr Laws: The Prime Minister certainly could do that. It seems to me a more informal understanding that the Prime Minister will not do that, and will not put the palace in a situation where the Queen has to call for another Prime Minister not knowing whether there is an alternative leader who has the confidence of enough people in the House of Commons to form a Government. So at the moment I think we probably are relying a little bit on the goodwill of the existing leader, under circumstances where they are certain that they are not going to be the next Prime Minister. But I suppose it is also reasonable to expect anybody that holds that type of office to behave in a

responsible way and finish discharging their responsibilities, and maybe that, as you say, should be explicit.

Chair: Thank you, that is very helpful. We have gone over time but Andrew Turner indicates that he has one quick question.

Q33 Mr Turner: Yes. You said that on the Monday morning the members of your parliamentary party had the opportunity to look at three or four things on your list, and you listed those and you said, I think, that AV was one of those things. Is that correct?

Mr Laws: On the Monday morning the Liberal Democrat and Conservative negotiating teams met and we were drafting a confidence and supply agreement, because we did not believe that then there would be agreement on the alternative vote, and we finished that in the very early afternoon. We then took that back, firstly, to Nick Clegg and then to our parliamentary party, and we undertook to communicate the response from the parliamentary party to David Cameron before a Conservative parliamentary party meeting that was scheduled later on in the afternoon. We did not give copies of that agreement to all of the people at that parliamentary party meeting because it would have been too risky that it would have leaked out, particularly when Conservative MPs were not aware of the detail of the agreement. But we discussed the principles of it and it was on the basis of discussing those principles, and our attitude to coalition, that we concluded that we definitely did not want to go down a confidence and supply route. Nick then communicated that to David Cameron after our meeting so he knew where things were.

Q34 Mr Turner: AV was one of those things?

Mr Laws: There were two separate decisions. So what was in that agreement, the draft confidence and supply agreement, was obviously not a referendum commitment on AV. Presumably it was the offer that was tabled by the Conservatives to establish a committee to look into the issue. I'd have to check whether it was that or whether it was a free vote in the House of Commons.

Q35 Mr Turner: Would you let us know?

Mr Laws: Yes, because I think that was the offer that was made after David Cameron's original statement, but it certainly was not a pledge that there would be a referendum. I think it was just a pledge, essentially, that Parliament would scrutinise this in some way.

Chair: If it's not too inconvenient to you, it would be very helpful to this Committee if you were able, in due course, to answer that question to us. Thank you very much. Are there any other vital points? We are over time.

Q36 Sheila Gilmore: Very quickly-it may be something for us to reflect on as well as the Committee. A lot of members of the public believe that a hung Parliament would give an opportunity for bits of almost all parties' policies to come together, rather than a firm coalition. Do you accept that is the public view of what they expected?

Mr Laws: Sorry, do you mean a sort of national government?

Sheila Gilmore: Yes, in a way, perhaps, or maybe it's a public misunderstanding of what a hung Parliament implies.

Mr Laws: I don't know, I think people did have an understanding that it would mean two parties coming together, rather than three, and I know that David Cameron did tell Nick Clegg on the Friday that he had not had any phone call from Gordon Brown suggesting that they should form a coalition.

Chair: That is very good news. Thank you very much, Mr Laws. You have been most helpful to us. We have gone over an hour and we are very grateful to you for answering our questions, in such detail and with such candour. Thank you very much indeed.

Examination of Witness

*Witness:* **Lord Adonis**, Director, Institute for Government, gave evidence.

Q37 Chair: Welcome, Lord Adonis, thank you very much for coming to give evidence to us this morning. May I begin by giving the apologies of the Chairman Graham Allen, who is unwell this morning and has been unable to attend the Committee, which is why I am chairing it in his place. You have heard, I think, a little of the evidence-

Lord Adonis: I caught the last 10 minutes. I do not quite know whether I will be contradicting anything said in the previous hour.

Chair: I am quite sure that won't happen. As you know, we are undertaking a very general inquiry into the workings of the Constitution and constitutional reform. We are specifically today looking at the way that the coalition was formed and, understanding that you were a key part of the Labour Party's team in negotiation after the general election, we are very grateful to you for coming to see us this morning. Is there anything you would like to say by way of introduction?

Lord Adonis: I am happy to go straight into questions.

Q38 Chair: Thank you. In that case, can I ask you a very general question to start with before we begin other questions? Were you aware, before the election, that the Cabinet Secretary had produced a new chapter to the Cabinet Manual setting out the way in which, and rules under which, a coalition might be formed and, if you were aware of it, had you read it and did it have any bearing on what happened after the election?

Lord Adonis: Yes, yes, yes, is the answer to that. I was aware, I had read it and it did have a bearing on how we behaved after the election.

Q39 Chair: Could it be revised to be more helpful in any future situation?

Mr Laws: I think it performs its crucial task, which is to make it clear that, in the event of there not being a clear outcome to a general election, space needs to be provided for the political parties to seek to agree the best way forward and, on the basis of the discussions that take place between the parties, advice will then be given to the Queen on the formation of the new Government. So I think it performed its crucial role of overcoming the knee-jerk expectation that there must be a new Prime Minister in post by Friday afternoon, which of course has been the general practice in British Government over recent decades.

Chair: Thank you for that. That is very helpful. I am looking for a first question. Stephen Williams?

Q40 Stephen Williams: Thank you, Chair. Could I ask, Lord Adonis, first of all, you just confirmed that the civil service had given some preparation and thought to how coalition negotiations would take place. How well prepared was the Labour Government for entering into a coalition? How mentally prepared and psychologically prepared were they for sharing power with another party?

Lord Adonis: I think that's ascribing to a party a collective mental state, which is quite hard to do. Some of us had been thinking about possibilities in a hung parliament before. The party collectively had not done so in the sense of formal discussions within the party machinery, but then I believe that is also true of the other parties too. It is very difficult, in the British context, to be contemplating results other than outright victory in any formal way.

Q41 Stephen Williams: Not even privately? I mean the Liberal Democrat parliamentary party had away-days that were held out of Westminster, with no media, to discuss this. Did the Cabinet not have an away-day at Chequers, or something, to discuss what happens if there is a hung Parliament?

Lord Adonis: No. With great respect, I suspect it was probably slightly easier before the election for the Liberal Democrat MPs to meet on an away-day without the media working out what was going on than it would have been for us.

Stephen Williams: Well, we didn't tell them what was on the agenda.

Lord Adonis: I am not aware of any Cabinet meeting or ministerial discussion that I ever participated in that, one way or another, did not make its way into the media. So that would have been a very difficult process to have conducted. Of course the size of the Labour parliamentary party made collective discussion of something that you did not want to become public virtually impossible.

Q42 Stephen Williams: So when the result of the election was known with certainty-some time in the early hours of Friday morning after the election-that was the first time the Cabinet thought, "Oh gosh, there's a hung Parliament, what do we do now"?

Lord Adonis: The Cabinet, as an institution, did not meet until Monday evening, but there was a good deal of discussion between Ministers once the results were known. But you said the results were known for certain in the early hours of the Friday. In fact, they were not known for certain until midday on Friday and, given the fluid nature of the results and a number of very close contests that were being held, it was not until the final results came through that the range of possibilities in a hung Parliament became apparent.

Q43 Stephen Williams: When was the Labour negotiating team appointed, and can you confirm who was a member of it?

Lord Adonis: Saturday lunchtime and it was myself, Lord Mandelson, Ed Balls, Ed Miliband and Harriet Harman as Deputy Leader of the party.

Q44 Stephen Williams: Lord Adonis was not in the room when David Laws was answering a question that I asked about whether the Conservative negotiating team, and the Labour negotiating team, seemed to be even in their contemplation of a coalition being formed with the Liberal Democrats, and he hinted that yourself and Peter Mandelson appeared to be more constructive in their negotiating attitude than the elected members of the negotiating team. Would you say that was a fair impression?

Lord Adonis: No, I wouldn't. I think we were all equally constructive. And when the Cabinet met on the Monday evening to discuss and agree a way forward for the then Government, it was overwhelmingly supportive of the Prime Minister's proposition that we should seek to negotiate a coalition with the Liberal Democrats, if it could be done on a satisfactory policy platform.

Q45 Stephen Williams: Last question: why do you think ultimately those negotiations between the Labour party team and the Liberal Democrat team failed? Was it lack of time or attitude?

Lord Adonis: No, it was a straightforward political decision. The Liberal Democrats simply decided that they wanted to go in with the Conservatives. There was no other reason and that, of course, is a perfectly satisfactory explanation for what happens.

Q46 Chair: Thank you. We heard from Mr Laws that there was some difficulty for the Liberal Democrat team negotiating with the Labour party team because, when it came to discussing economic policy matters, there was no one who could speak with authority on that because the Chancellor of the Exchequer, Alistair Darling, was not part of the team and we had the impression from Mr Laws that the Labour party team did not have the authority to make decisions in the negotiations because of the absence of Alistair Darling.

Lord Adonis: That's not correct, no.

Chair: Thank you.

Lord Adonis: Because they were essentially overtaken by the Liberal Democrats reaching agreement with the Conservatives, the negotiations never reached the stage where we were seeking to agree precise elements in a coalition package. You have to remember that the Labour party and Liberal Democrats negotiated for a sum total of about 3½ hours and we did not get to an advanced stage in those negotiations. By the Tuesday evening, the Liberal Democrats and the Conservatives had been negotiating for many times more than that, and had reached a point where they were able to nail down an agreement on specific issues, in terms. One can only speculate as to what would have happened if we had discussed with the Liberal Democrats a potential coalition agreement for longer, but they did not desire to discuss it for longer, so we never got to the stage where we needed to nail it down.

On the specific issue of the economic credentials of members of the negotiating team, you will of course have noted that Vince Cable, who was the Liberal Democrat Treasury spokesman, was not on their negotiating team either. So there was neither the Liberal Democrat nor the Labour Treasury spokespeople on that team, and so there would obviously have had to have been discussions with those six people-

Chair: If it had reached the next stage.

Lord Adonis: Yes.

Chair: Thank you, that's helpful.

Lord Adonis: To complete the picture-it's very important that the record is correct on this because there's a certain amount of disinformation that has been peddled since-it was agreed that Vince Cable and the then Chancellor, Alistair Darling, would meet on the Monday morning. That meeting was cancelled by the Liberal Democrats at very short notice. So there was no desire on the part of the Liberal Democrats to accelerate discussions, on economic issues, on the Monday. That was

perfectly within their prerogative. They were the ones who had to make a decision as to which way they were going to go, but it's important that the Committee understands that what happened was a political decision on their part to go with the Conservatives. It wasn't anything to do with the composition of negotiating teams that would have made it difficult to have reached agreement.

Q47 Chair: That is very helpful. If it had gone to the next stage then Alistair Darling, Vince Cable, et cetera, would have been brought in?

Lord Adonis: Absolutely. Absolutely.

Q48 Chair: Can we just get the chronology?

Lord Adonis: Indeed; again, to get the record correct, the then Prime Minister, Gordon Brown, offered the leader of the Liberal Democrats the opportunity to have a meeting that would have included the Chancellor and the Liberal Democrat Treasury spokesman, Vince Cable. Mr Clegg declined that invitation. So it wasn't an issue to do with the negotiating machinery that hampered agreement, it was a straightforward political decision that was taken by the Liberal Democrats.

Q49 Chair: So it wasn't the practicalities?

Lord Adonis: No.

Chair: It was a political decision?

Lord Adonis: Yes.

Q50 Chair: Can we get the chronology correct: do you recall at what point that happened because it seems that that must have been the point-that was Monday morning?

Lord Adonis: Monday. At what point did what happen, Chair?

Q51 Chair: Was that the point at which it appeared to the Labour party negotiating team that the Liberal Democrats were not serious about making a coalition with Labour?

Lord Adonis: It is hard to pinpoint the precise time but it was during the course of late Monday morning and Monday lunchtime that it became increasingly apparent to us that the Liberal Democrats and the Conservatives were close to an agreement and that the Conservatives were the Liberal Democrats' coalition partner of choice. By early Monday afternoon that was crystal clear and it was at that point that Gordon Brown-in my judgment, correctly-decided it was not appropriate for him to continue in office.

Chair: That is extremely helpful. Thank you. We'll go to Simon Hart.

Q52 Simon Hart: David Laws indicated that, with the exception of yourself and Lord Mandelson, there was never any serious intent to reach an agreement. There was an implied view. Are you suggesting that there was never any serious intent on the part of the Liberal Democrats to form a coalition?

Lord Adonis: I am not imputing motives at all. I don't know what the level of intent was on the part of the Liberal Democrats. I can only answer for myself and my colleagues. Our intent was very serious all the way through, until the point on Monday when it became clear that the Liberal

Democrats had decided that they were going to go with the Conservatives. We were prepared to continue and, indeed, were keen to continue discussions and negotiations, but the Liberal Democrats did not want that to progress.

Q53 Simon Hart: Can we just park that? I accept that entirely. Going back to a more general procedural point, which we also discussed with David Laws: on the basis that in the end nobody voted for this Government at all, do you have a view as to whether the coalition agreement, which we are now all working to, carries the same validity as a manifesto commitment? In your position in the House of Lords, where obviously the Salisbury convention exists to assist in the delivery of manifesto commitments, do you think the Salisbury convention is sufficient to deliver, and do you think the House of Lords will deliver the coalition agreement on that basis?

Lord Adonis: Well we are. Those are very significant questions to which I do not have a clear answer. Clearly, the coalition agreement was not put before the British people because it was negotiated after the election. It is, however, an agreement between the two political parties that command the confidence of the House of Commons and, therefore, it has a significant status. So far as the attitude that the House of Lords should take to it is concerned, that is entirely uncharted waters because the Salisbury-Addison convention is clearly related to commitments that were in the manifesto of the governing party, but as you rightly say, a good deal of the coalition agreement, actually parts of the coalition agreement, were not in the manifesto of either of the coalition parties, but there is very little in it that was in the manifesto of both of the coalition parties. So the House of Lords will have to exercise its judgment with discretion and wisdom, as it always does in my experience.

Simon Hart: We look forward to that.

Chair: Diplomacy, absolutely. Tristram Hunt?

Q54 Tristram Hunt: Just to return briefly to a previous point, we have heard from the Chancellor of the Exchequer that he had no need to bring in the Governor of the Bank of England to convince the Liberal Democrats of what he regarded as the financial Armageddon facing the country. We have also had a sense from David Laws that they did not need to be convinced of that either. Picking up from your earlier testimony, did you have a sense of a degree of ideological unity between the Liberal Democrats and the Tories, which was inhibiting the Labour party's attempts to work at a coalition?

Lord Adonis: It's a difficult question to answer because, as I said in answer to the Chair's earlier question, the discussions between the Liberal Democrats and the Labour party were short, so we didn't get into detailed discussions of these issues. What I can tell the Committee, as a straight fact, is that from the outset of our discussions it was the position of the Liberal Democrats that a coalition Government, to which they belonged, should commit themselves to eliminating the structural deficit in the course of this Parliament, which is of course the position that the current coalition has adopted and was the Conservative party's position at the election. That was the Liberal Democrats' position from the outset of the negotiations. Indeed, it was stated, in terms, in the document that they presented to us at the start of the coalition discussions. Now, what I can't answer is whether, in the course of discussions, they might have been prepared to move from that. They did not in fact move from it in the discussions that we had, and they did in fact agree that position with the Conservatives. It therefore appears unlikely that they would have moved. We did make it clear to them that it was not a position to which we could subscribe, and we would not have been party to a coalition agreement that proposed to eliminate the structural deficit in the course of a single Parliament.

Q55 Tristram Hunt: But we can certainly get rid of all this guff about the Labour party not being serious about negotiation; about negative body language and other strange attributes?

Lord Adonis: That is complete nonsense.

Tristram Hunt: Right.

Lord Adonis: Indeed the fact that the body language was referred to, I always thought to be a sign that the issues of substance were not necessarily obstacles. It was very interesting, in that pressure cooker period of the five days after the election, that the Liberal Democrats did not want to refer, in their public statements, to specific issues that were making it impossible to reach agreement with the Labour party. It was the style of negotiations. Well, in my experience, having one way or another been a party to a good deal of negotiations, the point at which you start to question the bone fides of your interlocutor is a point at which you are not really serious at negotiating. So I took it to be a general indication of lack of seriousness in negotiating, but, more specifically, at no point did they refer to specific policy disagreements. As I look back on it, in retrospect, I think that's for two reasons: firstly, because on most areas of policy, besides the economy, there were unlikely to have been serious policy disagreements. On the economy, I do not think that the Liberal Democrats were very keen to parade the fact that their preference was to subscribe to the Conservative party's economic policy from the outset, rather than to seek to reach agreement with us on a different strategy. But that is seeking to make sense of these things in retrospect.

Q56 Tristram Hunt: I know it's not the job of this Committee to talk about the internal structures of the Labour party, but we heard earlier about the triple lock for the Liberal Democrats to sign up to a coalition. We have also heard from my colleague, Andrew, about the wealth of lack of democracy in the Conservative party who could sign up, effectively, to what the leadership asked for. The Labour party is halfway in between that, in terms of agreeing to a system. There were certainly elements among Labour MPs who watched what was going on on television but did not really know what was going on. Do you think the internal party systems are credible and effective enough for coalition negotiation?

Lord Adonis: Yes, I think so. In fact, there was a fairly clear game plan as to what would have happened in terms of securing party agreement to a coalition. The Cabinet had met on the Monday and gave a negotiating mandate to its members who were meeting with the Liberal Democrats. It was agreed that, once negotiations had proceeded towards some outline agreement, the Cabinet would meet again, and of course Ministers were being kept informed as the discussions proceeded in any event. The National Executive Committee of the party met also before the negotiations started, and its officers—sorry, to be precise, I think it was the officers of the NEC that met, and they also gave a mandate for the negotiations to start. A meeting of the full parliamentary party had in fact been summoned for the Wednesday afternoon; indeed, it took place and it was agreed—now we're getting into Labour Party constitutional details—that what is, I believe, called a clause 15 meeting was a clause 5 meeting. Sorry, I don't immediately have to hand the different clauses of the Labour party.

Chair: It's fine. You can call it what you like.

Lord Adonis: That meeting, which brings together the Cabinet and the National Executive Committee, would have taken place the weekend after the negotiations had started, or at whatever point at which agreement was reached to ratify an agreement. So the internal processes of the Labour Party were clear and they appear to me, in retrospect, sufficiently robust to have been able to implement an agreement.

Tristram Hunt: Final question, if I may?

Chair: A nother question, Tristram.

Q57 Tristram Hunt: You wrote in *The Guardian*, and I quote, "We were perfectly serious-vis-à-vis negotiations with the Liberal Democrats-but we were not prepared to engage in constitutional gerrymandering". Could you just expand upon that?

Lord Adonis: The Liberal Democrats were keen to get as many items in their constitutional reform plan agreed by us as possible. And among the proposals they put to us was the proposal that we should agree to the alternative vote before a referendum was held; we should implement it; we should implement legislation for the alternative vote before a referendum was held. That was the point at which we made it clear we could not agree with them on a key constitutional measure, but they retreated from that position fairly quickly and I think it was always a try-on. I do not think they expected us seriously to agree that there should be a fundamental change to the electoral system for the House of Commons before a referendum had been held. But had they persisted in that view, of course we would not have agreed. There is no way that the then Cabinet would have agreed in a change in the electoral system without a referendum.

Q58 Tristram Hunt: So the referendum would have simply sanctioned the legislation?

Lord Adonis: No, the proposal they put to us is that it should have been implemented before a referendum was held, that there should be legislation.

Q59 Tristram Hunt: So what would the referendum be on?

Lord Adonis: It would presumably have then had the right to appeal with the legislation. It would have been rather like the 1975 referendum on membership of the European Community, that the referendum would have been held after the change had been implemented. Now that was the significant point of disagreement that emerged between us, but, as I say, my impression from the way the discussions went is that they were not intending to insist on that, and it was a try-on to see how far we would go in respect of constitutional reforms to which they were attached. Of course, we made it clear immediately that there was no prospect whatever of the Labour party agreeing to change the electoral system without a referendum first being held.

Q60 Chair: Thank you, Tristram. So the issue of whether it was a pre-legislative or post-legislative referendum is not the issue, if I could just clarify this with you: the Labour party had not, in fact, said that they would agree to form a coalition with one of the conditions being that there would be the alternative vote introduced without a referendum?

Lord Adonis: That's correct. It was always taken for granted that the-actually no, that's not correct, the issue of pre or post. It is absolutely correct to say that there was no question of the Labour party agreeing to a referendum being held after legislation for AV had been implemented.

The question whether the referendum itself should come before the legislation was introduced, or after it was enacted but before it was implemented, was left open and we were still, as I say-because the discussions between Labour and the Liberal Democrats were not protracted-it was still not agreed between us whether, if there were to be a referendum on the alternative vote, that would take place before legislation was introduced or after it had been enacted but before it was implemented. Those two options were still open.

Q61 Chair: I appreciate there are layers upon layers, but the Labour party would not have agreed to a coalition with the Liberals, based on introducing AV without a referendum?

Lord Adonis: No, in those circumstances.

Chair: Thank you. I'll go to Christopher Chope.

Q62 Mr Chope: That's very interesting. At what stage on the Monday was that made clear?

Lord Adonis: As soon as the issue was raised in the discussions between our negotiating team and the Liberal Democrats.

Q63 Mr Chope: What time would that have been, relatively speaking?

Lord Adonis: The meeting on the Monday began, from memory, at 10.30, so it was made clear then. Again, I would need to check my notes, but I think that issue was raised on the Monday-sorry, on the Tuesday morning the meeting was at 10.30. On Monday, the meeting was in the evening and the point at which that issue was raised was, I think, on the Monday evening, I do not think it was on the Tuesday morning, but I can check my notes on that point.

Q64 Chair: It's not fair to put you in a position of remembering at this point exactly which hour matters occurred, but if it's not too much of an imposition would you be able to answer these questions in due course?

Lord Adonis: To be precise, the reason I was slightly thrown is your question referred to a meeting on the Monday morning. There was no meeting on the Monday morning between Labour and the Liberal Democrats. The meetings were on Monday evening and Tuesday morning. I cannot recall whether it was on the Monday evening or the Tuesday morning that the issue of introducing the alternative vote before a referendum was held was raised, but whenever it was raised we dismissed it immediately.

Q65 Mr Chope: But you never offered the Liberal Democrats the possibility of legislation on AV without it ever being put to the British people in a referendum?

Lord Adonis: No.

Q66 Mr Chope: Can I take you back to the situation immediately following the result of the general election, because Gordon Brown was the Prime Minister, you were the incumbent Government, and I think most people's understanding of the British constitution was that it was open to the Prime Minister and the Government to stay in office, and then from that position try and find support to enable them to form either a minority Government or a coalition. The ball should have been in your court first, and normally it would only have been after you had been unsuccessful in being able to form a minority Government, or a stable Government, that the Prime Minister would then have gone to the monarch and said that he was unable to form a government and would suggest to the monarch that she should invite the Leader of the Opposition to take over. Why was it that that process, which most of us had understood was what would happen under our constitution, did not happen in this case?

Lord Adonis: As always in Britain, where we have an unwritten constitution, understandings are not completely understood. It is not completely clear what is the constitutional position. If you look at precedents in the British constitution, in areas of conventions largely governed by precedents, there

are two sets of precedents that apply in this circumstance: one set of precedents is the precedent as to what has normally applied after recent general elections, which is that if the Prime Minister of the day does not believe he is able to command the confidence of the House of Commons, he or she resigns immediately and a new Prime Minister is appointed immediately.

But there are another set of precedents that clearly legitimise a Prime Minister who decides, even if he or she is not leading the largest party, to meet Parliament and not to resign until a vote has taken place on the Queen's Speech. Until 1868-sorry, I speak here as an historian-Prime Ministers always met Parliament, even if they had clearly lost the election. It was Disraeli's decision in 1868 to resign immediately the election results were clear, rather than to meet Parliament and be voted out by Mr Gladstone that created the precedent that where an unambiguous result of an election is clear, and the Government have clearly lost it, then they resign immediately.

But, in cases where no party has a majority it appears to me, on a reading of the constitution, that either course is constitutionally valid: either that the Prime Minister chooses to resign immediately because he believes he is unlikely to be able to command the confidence of the House of Commons, or he stays to meet Parliament. The crucial precedent, of course, being 1923 when Stanley Baldwin, although he was unlikely to be able to command a majority in the House of Commons, after Asquith's statement that he would support Labour in a hung Parliament, nonetheless decided to meet Parliament. Only after he was voted down in the King's speech-which I think, from memory, was about six weeks after the election-did he resign.

There is the precedent, which is some way between the two, of February 1974 when Ted Heath did not resign immediately. In fact, I think from memory, he resigned on the Monday after the election-which is only one day different from what in fact happened this time, which was the Prime Minister resigning on the Tuesday after the election-because he wished to ascertain whether there was any reasonable prospect of him being able to command a majority in the House of Commons before deciding whether or not to resign.

Now, this is a long answer to your question because the position, as I see it, is unclear. But what, in fact, happened this year was very similar to the February 1974 position of a Prime Minister who, after the election, was leading the second largest party, not the first largest party, who was not sure whether he would or would not be able to command a majority in the House of Commons, and allowed exploratory conversations to take place for a few days after the election before reaching the conclusion that he was unlikely to be able to command a majority and, at that point, advising the Queen to send for the Leader of the Opposition.

Q67 Mr Chope: That's helpful, but my point is: why didn't those exploratory conversations begin immediately because surely the incumbent Prime Minister had the first option, basically, of trying to see whether he could form a Government to stay in office, in the same way as Mr Heath did in 1974. Why was the Prime Minister so slow in doing that or was he the victim of duplicity on the part of the Liberal Democrats?

Lord Adonis: No, I do not believe there was any duplicity at all. The first conversation between Gordon Brown and Nick Clegg took place on the Monday afternoon. So, very soon after the final results of the election were clear. It was also clear from that conversation that some form of process would take place, of discussions between the parties. Nick Clegg made clear that he wished first to talk to the leader of the Conservative party in a formal sense, but he also made it clear that he would wish to see discussions take place with the Labour party. I think, on that basis, it was perfectly reasonable for Gordon Brown to allow there to be a period of time during which those discussions

would take place before concluding whether or not he had a prospect of being able to form a new government.

Q68 Mr Chope: So you weren't surprised. Gordon Brown obviously realised what was happening. He could see all the reports of conversations taking place between the Conservatives and the Liberal Democrats, so why didn't he say, "Well, hang on a minute I'm the incumbent Prime Minister. I have a first take to see whether I can form a viable Government, so you, Liberal Democrats, why don't you come and talk to me first, and perhaps the Nationalists as well?" Why did he allow the Liberal Democrats to negotiate, at quite considerable length and quite considerable depth, over that weekend with the Conservatives while he was out on a limb?

Lord Adonis: It was not clear during the weekend that the Conservatives and Liberal Democrats were going to be able to reach agreement, and there were discussions taking place between the Liberal Democrats and Labour, which we believed might have led to agreement. So, at the point at which it was clear that the Conservatives and the Liberal Democrats were likely to reach agreement, Gordon Brown did resign but, until that point, he regarded it as both correct and his constitutional duty to remain in office.

Chair: Thank you, Chris. I'll come to Stephen first and then to Sheila.

Q69 Stephen Williams: Chair, because Andrew has admitted he is an historian and Churchill said that, "History will record my events because I'm going to write it", it is important we get this right and on the record. At what point does Lord Adonis feel that it was clear to the Labour negotiating team that the Liberal Democrats were going to form an agreement with the Conservatives and there was no point in continuing discussions any further?

Lord Adonis: I would say it was crystal clear by early Tuesday afternoon. It was fairly clear by late Tuesday morning, when we held our second formal negotiating session with the Liberal Democrat team. Those of us who were on the Labour negotiating team left that meeting fairly clear that the Liberal Democrats were not seriously wishing to pursue an agreement with the Labour party, and that they were close to an agreement with the Conservatives. That became very clear during the early part of Tuesday afternoon.

Q70 Stephen Williams: At that point on Tuesday, the Labour party was effectively leaderless because Gordon Brown had offered to resign at some point in the future. Do you think the Labour negotiating team, at that point, lacked any clear steer as to which direction to head with, with the Liberal Democrats?

Lord Adonis: We were clearly seeking to reach an agreement if an agreement could be reached. That didn't change during the negotiations.

Q71 Stephen Williams: Was any final plea made to the Liberal Democrats, "Please don't go off with the Conservatives, we can still do a deal on Tuesday"?

Lord Adonis: I didn't see it as our role to make a plea to the Liberal Democrats. The issue was for the Liberal Democrats to side with us.

Q72 Stephen Williams: Presumably you wanted to stay in office?

Lord Adonis: We only wanted to stay in office on the basis of a principled programme, which was agreed between the two parties. We certainly did not regard it as our job to keep the Labour party in

office if it was not possible to reach a principled agreement on a programme with the Liberal Democrats. At the point at which it became clear that that was very unlikely to happen, Gordon Brown resigned forthwith.

Q73 Stephen Williams: I would like to ask a completely different question, which I asked David Laws as well. Do you feel in four and a half years' time, when it's quite likely that we may have to go through this all over again, that in the intervening period-in between then and now-we need to come up with a different constitutional arrangement, whether it is as long as the United States from November to early January, or what happens in Europe. But is it sensible for us to contemplate now in 2015 that we'll-when we're all exhausted-thrash out a Government programme for five years in the space of four days?

Lord Adonis: No, I do not think any changes are needed; I think the constitution worked remarkably well. In particular, the discussions that took place between the party leaders and their negotiating teams, in those five days, did precisely what was required in the circumstances, which was to identify the shape and leadership of a new Government and to enable the sitting Prime Minister to give advice to the Queen on who his successor should be. I think that the arrangement served those purposes well and there is no need to change them. I do not think it is realistic to suppose that you can move to an American system. The President is not, in fact, inaugurated until 20 January, so there is a Government in office that has full authority until a new Administration takes office in Washington on 20 January. That of course is not the case in Britain. The sitting Government is the Government with the confidence of the House of Commons until the House of Commons declines to renew that confidence, so it is inconceivable that the process could be delayed beyond the meeting of Parliament.

Q74 Stephen Williams: Sure, but it was decided, wasn't it, that the House of Commons would meet later than normal because after the 2005 general election we all arrived here pretty quickly, in fact?

Chair: Again, we can't expect Lord Adonis to answer that question but, as a matter of fact, I think we're all agreed that that is the case.

Lord Adonis: The point Mr Williams is making is significant though. The backstop was not five days. The backstop was the meeting of Parliaments. It is perfectly conceivable that negotiations could have taken place for some days longer than was the case. The reason why they stopped after five days was not that there was any external deadline imposed, but that it was clear at the end of those five days what the position was. However, the actual constitutional backstop was the meeting of Parliaments, and that was still another two weeks away.

Chair: Thank you. Sheila Gilmore.

Q75 Sheila Gilmore: Do you think that if there were a clearer constitutional procedure involved, that was clearly understood in the population generally, that some of the pressure could have been lifted off? You said there was no constitutional deadline other than the sitting of Parliament, but there was a great deal of an atmosphere, it would be fair to say, of "get on with it" "crisis" and "we don't have a Government", and that has been contrasted with the position in other countries where it is recognised that there may be a period of Government formation. Do you think it would help in the future if this was clearer, so that discussion could take place in a calmer atmosphere?

Lord Adonis: I am not sure it is realistic to expect the media to lay off and say, "We can now wait for several days before anything happens". Being a realist, I am not sure that it is in the realm of the possible to expect that. The only way it could happen would be if the party leaders themselves agree

that that is what they wish to do. If the three major party leaders had agreed, if they had come out on the Friday and said collectively, "Hey, look, we're all absolutely shattered and exhausted, none of us have slept for a week, we do need to recover and consult with our colleagues before we start these negotiations, and we're not going to start them until Monday", it might have been possible to have proceeded in that way. But I think that's the only way you could have brought about the change. I don't think you could have brought about the change by trying somehow to formulate expectations before the election, because the media would still have expected, immediately after the election result was declared, that discussions would take place about the formation of a new Government. So I think those expectations could only be changed if on the day itself, on the Friday, the party leaders had all said that they did not wish to start negotiations until the following week; they did not do so and I suspect it will be difficult, in an equivalent situation, after a future election for them to do so either.

Chair: In which case the media would have gone into a frenzy for a week, but there we are.

Lord Adonis: Or not. An interesting question is what would have happened in that situation. It could be. I mean, after all, what could the media have got into a frenzy about if the three party leaders had said, "Sorry, we're going home to bed-"

Chair: "Nothing is going to happen."

Lord Adonis: "-and we're holding internal discussions over the weekend." If Gordon Brown and David Cameron had both said that they intended to meet Nick Clegg on the Monday, and that was the beginning of the process, I am not sure the media could have done much. One thing I can say is that of course the machinery of state would have continued uninterrupted. Nobody suggested that the machinery of state was in any way imperilled by this five days' worth of delay. The Government continued on a perfectly satisfactory basis. There were in fact important negotiations in the European Council that took place over that weekend. The Chancellor of the Exchequer attended them. So there isn't an issue to do with integrity of the Government. The issue is to do with the expectations management with the media and expectations could only be changed if all three party leaders-and it would have to be all three-were prepared to say that they wished to proceed on a different basis. If you just had two of them saying that, I still do not believe it would have been possible to have delayed the start of negotiations.

Q76 Chair: That's very helpful. I was going to ask you this question in a different way, but you've anticipated me in answering it. Just to put it on the record, am I right in saying that government continued, Ministers were still Ministers, the Chancellor of the Exchequer had an important negotiation, we recall him doing that, and other Ministers were still undertaking their ministerial duties where necessary, and that the machinery of government continued until such time as a new Prime Minister was appointed?

Lord Adonis: Absolutely. I mean the only period of interruption, whatever it is, is the 20 minutes between one Prime Minister leaving the palace and his successor arriving. I am not sure I can advise you, Chair, on what the constitutional position is if crucial decisions had to be taken within that 20 minutes.

Chair: No, quite.

Lord Adonis: I think the Cabinet Secretary, if at all possible, tries to delay them. But until the Prime Minister has resigned, he is in charge of the Government, as are Ministers, which was the case during the election. As you will be aware, there was a major transport crisis during the election with

the ash cloud over Europe, and I was exercising the full authority of the Government, including meetings of the European Council that I attended the day before the general election to finalise a new regulatory regime for flights through ash. So the Government are in full command of the machinery of the state until they resign, subject to the conventions of purdah, which is that they do not take decisions on new policy issues that are capable of being delayed until the result of the election is clear.

Chair: Yes. Thank you very much. It's very good to have that fact on the record, and it's interesting that we come down again to convention. I'll come back to that in a moment. We have a few minutes left. Andrew Turner.

Q77 Mr Turner: Yes. I'm interested in your recollection of a Government remaining in office because, until I saw it on television-Lord Norton of Louth had a group of people giving their views in the House of Lords-I thought it was the situation that normally happened in the last 20 or 30 years. But the question is: what would have happened if the Queen was not presented with anyone in charge? When Gordon Brown resigned, matters could have gone on for two or three days beyond his decision to resign.

Lord Adonis: I think the constitution is very clear. If the Prime Minister resigns, unless there is some wholly exceptional circumstance, the Queen sends for the Leader of the Opposition. The wholly exceptional circumstance, I think, would be if the outgoing Prime Minister were to advise her to send for somebody different from the Leader of the Opposition. But if the Prime Minister offers no such advice, then the constitutional convention is very clearly established that the Queen would send for the Leader of the Opposition. The question as to whether the Leader of the Opposition is able to form a Government is then an issue for the Leader of the Opposition, and the Leader of the Opposition then has to advise the Queen accordingly.

But there are conventions there too. In 1963, when Harold Macmillan recommended the Queen send for Sir Alec Douglas-Home, Sir Alec Douglas-Home said to the Queen he was not sure whether he was able to form a Government and he accepted-there was a term, I think it's something like a provisional mandate-provisionally, Her Majesty's commission to form a Government, but subject to him being sure he was in fact able to form such a Government and then he came back, I think it was a day or two days later, to accept the commission formally and to kiss hands.

So, our constitution seems to work in these situations. Looking at what would have happened, if you posit a situation where Gordon Brown had resigned immediately after the election, because he formed the judgment that he was not able, in any realistic circumstance, to command the confidence of the House of Commons, I think the constitution would still have worked in a perfectly satisfactory way. The Queen would have sent for the Leader of the Opposition, David Cameron would then have formed a Government. The issue would have been whether that Government were going to be a minority Conservative Government or a coalition with the Liberal Democrats.

Q78 Chair: Is it not the case that the constitutional convention is, and the practicality in terms of how things are operating, as you said earlier in terms of your own role during the campaign and that of other Ministers, that the Prime Minister may well-Gordon Brown in this case certainly indicated his intent to resign as leader of the Labour Party-remain Prime Minister, for practical purposes, until there is another Prime Minister in place?

Lord Adonis: Absolutely.

Chair: I don't want to put words in your mouth. That is it. Does that answer your question, Andrew?

Q79 Mr Turner: I'm not sure, is the honest answer, because things were happening behind the scenes, or rather in front of the scenes-the Select Committee on Justice looked at this responsibility of the Prime Minister to remain in position. That is how it happened. Now it strikes me what we are hearing is there is no such obligation to remain in position. If he resigns, he resigns, and the Queen gets the next man down. Whether it's the Prime Minister.

Chair: I'm not sure we can expect Lord Adonis to answer those questions.

Mr Turner:

Mr Turner: I think we can because he's been quoting what happened in 1828 and I thought what happened-

Lord Adonis: Not 1828, I don't think I went back that far. 1868.

Chair: Lord Adonis, as an historian, rather than as a Labour party negotiator, it would help the Committee if you would give us your opinion.

Lord Adonis: Let us be clear: Gordon Brown did accept that it was his responsibility to stay in office until the point at which he was able to recommend to the Queen a successor. He did accept that, and it was on that basis that he remained in office until the Tuesday evening, at which point he recommended to the Queen that she send for the Leader of the Opposition.

Q80 Mr Turner: But this was presented to the Select Committee on Justice as a responsibility that Gordon Brown had, and he could do nothing about it. He had to remain in post until the Queen would be offered an alternative. Now it seems to me it's quite clear that the Queen did have an alternative, in fact, she did have an alternative from Friday.

Lord Adonis: Yes, but the point is the constitutional Convention is absolutely clear, that the Prime Minister does not have to resign the day after the election if he has not clearly won the election.

Mr Turner: Absolutely, I agree.

Lord Adonis: That he has the ability to remain in post for longer than that, and the expectation is that he will remain in post until he is in a position to give the Queen clear advice. What is unclear-and this is the point we have been discussing in the Committee-is what that period of time is, whether it is a few days or whether it could go on for a few weeks. I think my view on that is that it would be very much a matter of the circumstances of the case. If the negotiations had proved to be more complex than they were in this case, or indeed if the Liberal Democrats had taken longer to decide on their potential coalition partner, it is perfectly conceivable, even in the events of this May, that the negotiations could have gone on for a week or perhaps even longer than a week. It is not conceivable that they could have gone on longer than the meeting of Parliament but it was not fixed that they had to be concluded within a very small number of days.

Q81 Chair: That is very helpful. Thank you. We've kept you for a long time, Lord Adonis, but can I ask you, in conclusion-because we are looking in this Committee at the constitution as a whole, and our discussion this morning has been very largely about conventions and the process-having now gone through this process earlier this year, as well as your many years of experience of examining the historical progress of the development of the conventions of the constitution and, given that that is based on precedent, I suppose that another precedent has been set now because what happened in May has happened. Next time it occurs people will examine what happened in May, just as you are

referring back to Alec Douglas-Home and others. In your opinion-and I realise I am just asking for your opinion, but we would value it-was the process relatively satisfactory or could it be improved by having a better codified system written down and agreed in advance, or did it work reasonably as well as it might have?

Lord Adonis: I think the arrangements worked in a perfectly satisfactory way. If you ask my personal opinion, though much is made of the draft Cabinet manual and the statement that the Cabinet Secretary made, in my view events would have proceeded in precisely the way they did proceed, even without those changes because the conventions were sufficiently clear as to what should happen in the event of no party having an overall majority. That the Prime Minister is perfectly entitled to stay until it is clear that he is unable to command the confidence of the House of Commons, and that he does recognise an obligation not to go, in any event, before he can clearly recommend to the Queen a successor. Had Sir Gus O'Donnell not opened his mouth at all, had there been no draft Cabinet manual that is precisely what would have happened, in my view. I do not believe events would have taken any different course whatsoever if there had been no statements of that kind before the election.

Q82 Chair: That is extremely helpful. Thank you very much. Is there anything else you would like to say in conclusion?

Lord Adonis: Only to reiterate that I think there is no constitutional issue at all about what happened in May. The constitution worked perfectly smoothly with, I think, a strong recognition of responsibilities on the part of all those people who were taking part in that, right from the Queen's private secretary through to the leaders of the political parties, through to the Cabinet Secretary. The issue about what happened in May is not a constitutional issue, it is a political issue.

Chair: Thank you very much indeed. That has been extremely helpful and elucidating. Thank you very much for giving us so much of your time.