

Cabinet reshuffle

Implications for the NHS

This briefing provides an update on key changes at the Department of Health and Social Care and across government following the Cabinet reshuffle on 13 and 14 February 2020. It also considers the implications for the health service and what happens next.

Key points

- Given the challenges facing the health sector, the continuity of leadership
 presented by Matt Hancock's reappointment as health and social care secretary
 is welcome.
- With a strong majority in government and continuity of leadership at the
 Department for Health and Social Care, there is no excuse for failing to address
 these challenges particularly social care at the earliest opportunity.
- The appointment of a new Chancellor has implications for health. With a change in leadership, the Treasury may signal a more ambitious Budget, particularly on national infrastructure, and perhaps for health and social care.
- The new Chancellor's experience as a local government minister could provide helpful insight in the coming months when the government, and by extension the Chancellor, looks to find a long-term solution to social care.
- The government is yet to confirm whether the Budget will take place on 11 March.



NHS Confederation insight

The churn in ministers over the past few years – with 60 resignations under the last Prime Minister, recalibrations of government following two general elections and two new premierships – can leave reshuffles looking like a pruning rather than a clearance. So why do they matter and what impact do they have on health?

Leading up to the reshuffle, there were reports of a 'Valentine's Day Massacre'. This has not been borne out, despite a significant number of firings. Many key posts have been left unchanged and, barring the closure of the Department for Exiting the EU (DexEU), there has not been the 'radical' shake up of Whitehall departments trailed in the media following the general election. This is not unexpected. A Prime Minister holds most power in the weeks running up to a reshuffle, particularly after a large general election win.

On the face of it, not much has changed. The Secretary of State remains in place, several of the key Cabinet roles with implications for health also remain untouched, and the Department of Health and Social Care (DHSC) only saw one change: Caroline Dinenage was replaced by Helen Whately, who joins as health and social care minister.

However, one significant change led to considerable media interest: the resignation of the former Chancellor Sajid Javid and his replacement with Rishi Sunak. This does matter to health. On the face of it, both are fiscal Conservatives with similar policy interests. But the former Chancellor was known to temper much of Number 10's ambition for the forthcoming Budget on 11 March, (Downing Street is yet to confirm that it will be held on that date). The incoming Chancellor has accepted the position on the basis that Number 10 and 11 share the same pool of special advisers.

The new Chancellor also shares Number 10's keen interest in regional policy and has experienced a meteoric rise under the Prime Minister, after being a notable early supporter of his leadership campaign. What does this mean? There will now be focus on whether the Treasury's fiscal rules, including for day-to-day spending budgets to be balanced over three years, will now be rewritten. Following the change at the Treasury, markets have also indicated their expectation of an increased giveaway at the Budget. One key source of tension between the Treasury and Number 10 before the reshuffle was seeking to follow through on bigger commitments on the NHS and social care, while at the same time not adapting fiscal policy.

We will provide you with a full review of the Budget when it happens, but the change at the Treasury may signal a more ambitious Budget, particularly on national infrastructure and perhaps for health and social care.

Below, is a brief outline of some of the key changes and information on key posts, with a particular focus on health and the wider impact within government. Please do not hesitate to contact the NHS Confederation's external affairs team for more in-depth analysis on particular individuals or advice on potential routes on engagement, at ExternalAffairs@nhsconfed.org

The Cabinet



Prime Minister

Rt Hon Boris Johnson MP

After securing a healthy majority of 80 MPs following the December 2019 general election, the Prime Minister now has parliamentary bandwidth to see through legislation and an agenda in a way that UK politics has not seen for over a decade. This has implications for health, both the expectation on resolving key issues like social care and on government ambitions for the legislative agenda. You may have noted briefings on changing NHS England and NHS Improvement's legislative proposals, for instance.

The PM's position also means there should be no excuse for not delivering on key manifesto pledges for health. You can find our Conservative Party manifesto review on our <u>website</u>, alongside a roundup of what the <u>December 2019</u>

<u>Queen's Speech means for you</u>. Our external affairs team will continue to keep track of developments and keep you updated on what this means for you.

A key theme of his premiership, and perhaps the PM's career to date, is the ability of various political wings to interpret his beliefs as consistent with their agenda, whether that be a One Nation agenda and continuation of the politics pursued as Mayor of London, or as the Brexiteer obtaining the support of the European Research Group. This dynamic is most evident on the Prime Minister's approach to immigration and has had a significant steer on the government's forthcoming proposals for a points-based system, which could have a significant impact on the social care sector. This also makes the composition of the Prime Minister's Cabinet worthy of close attention.

In his <u>first speech as PM</u>, Boris declared that his government "will fix the crisis in social care once and for all, with a clear plan we have prepared". He also stated: "My job is to make sure you don't have to wait three weeks to see your GP – and we start work this week, with 20 new hospital upgrades, ensuring that money for the NHS really does get to the front line". Following the general election, the government has since brought forward the following proposals during the Queen's Speech:

- a commitment to enshrine the NHS multi-year funding settlement into law through an NHS Funding Bill
- an ambitious programme of domestic reform that will deliver on the people's priorities through an NHS Long Term Plan Bill

- commitment to seeking a cross-party long-term reform for social care, so that everyone has the dignity they deserve and nobody who needs care has to sell their home
- reform of the Mental Health Act
- introduction of a new points-based system for immigration, including introducing a new fast-track NHS Visa to attract the best healthcare professionals from around the world via the Immigration and Social Security Coordination (EU Withdrawal) Bill
- commitment for the Health Services Investigations Bill
- introduction of a bill on medicine and medical devices that will ensure that NHS and patients can have faster access to innovative medicines, while supporting the growth of our domestic sector.



Chancellor of the Exchequer

Rt Hon Rishi Sunak MP

Like his predecessor, Rishi is a former investment banker. He was a notable early supporter of the Prime Minister's leadership campaign and has been touted as 'one to watch' since his election to parliament in 2015. However, this does represent a significant promotion for an MP who has under a year's experience attending Cabinet. His profile has been raised in recent months through filling in for the PM during a number of general election TV debates. He is viewed as a polished media performer.

Also like his predecessor, Rishi has experience as a local government minister and this could prove helpful insight in the coming months when the government, and by extension the Chancellor, look to find a long-term solution to social care, in addition to the potential for a further funding package at the forthcoming Budget.

On health, Rishi has listed his support for Friarage Hospital in North Yorkshire as a priority and takes a keen interest in technology integration, which closely dovetails with the current health secretary's approach. Rishi is also the son of GP and the owner of a local chemist.

Previous occupant: Rt Hon Sajid Javid MP

The shock departure of the reshuffle, Sajid Javid was preparing to deliver the government's Budget on 11 March. The former Chancellor was reported to have pushed against the last PM's immigration proposals while home secretary and had asked the Migration Advisory Committee to review the £30,000 salary threshold, which it revised down to £25,600 last month.

As Chancellor, he was reported to be a 'fiscal hawk' on some of the PM's agenda, but this would not be unusual for a Chancellor. The forthcoming Budget is unlikely to be significantly reworked at this stage following his departure, and his successor was already earmarked to take charge of the Spending Review later in the year. But there could be loosening of the fiscal rules. The former Chancellor's departure, who was reportedly asked to sack all of his advisers, does perhaps indicate that Number 10 wants much more control of Treasury policy. This change could have reverberations for government policy and spending in the years to come. It is notable that the Treasury and Number 10 are now set to share a special adviser pool.

The outgoing Chancellor was also a voice who was known to consistently challenge at Cabinet and was a voice for taking account of the difficulties faced by health and social care in the future immigration proposals, in both his roles as home secretary and Chancellor. At 204 days, Sajid Javid served the shortest tenure of all but one Chancellor since World War Two.



Home Secretary

Rt Hon Priti Patel MP

The home secretary has kept her post despite reports following the general election that her position was under threat. Priti is currently overseeing the government's formal response to the Migration Advisory Committee's report on the £30,000 salary threshold and a 'points-based immigration system'.

The proposals have been put before Cabinet and a white paper on the proposals is expected in March. While indications are that there will be further flexibility in how points are awarded and phased in, there remains concern about what this might mean for the social care workforce in particular. The future immigration system is due to be implemented at the start of next year.

The <u>Cavendish Coalition</u> – led by NHS Employers, which is part of the NHS Confederation – is a leading sector authority on the implications of from changes to international recruitment policy on the health and social care workforce.



Foreign Secretary

Rt Hon Dominic Raab MP

The foreign secretary and First Secretary of State has kept his post. The latter title implies seniority over all other secretaries of state. He previously served as Secretary of State for Exiting the European Union in July 2018, following the resignation of his former boss, David Davis, before resigning in protest against the then draft Withdrawal Agreement brought to parliament by Theresa May.

With the closure of DExEU and an expected Whitehall reorganisation during the early years of the government, the Foreign Office is expected to be 'beefed up' and assume many responsibilities currently held by other departments. Much of this reorganisation has to be put on hold, but the government may well come forward with further plans in the coming months.



International Trade Secretary

Rt Hon Liz Truss MP

Liz Truss has kept her role as Secretary of State for International Trade, President of the Board of Trade and Minister for Women and Equalities.

As we have now moved into the Brexit transition period, and the future relationship with the European Union is to be determined over the next 11 months, trade negotiations with the rest of the world are set to feature more prominently. We have assessed the impact on the NHS of future trade deals after Brexit in a report last year: *The NHS and future free trade agreements*.

While the future relationship negotiations are being overseen by the Cabinet Office and conducted by David Frost, chief Europe adviser, this is still notable as the international trade secretary had been expected to lose her position and the Department itself was seen as part of a potential Whitehall redesign.

She co-founded the Free Enterprise Group of Conservative MPs, which campaigns for economic reform and a positive attitude towards profit-making enterprise. Despite supporting Remain at the 2016 referendum, she was an early supporter of the Prime Minister during the 2019 Conservative leadership election. She is also a former academic researcher and commercial analyst and held a deputy directorship with responsibility for health at the centre-right think tank Reform. She has previously argued against a hypothecated tax for health.



Health and Social Care Secretary

Rt Hon Matt Hancock

Matt Hancock remains as the Secretary of State for Health and Social Care in what is set to be a critical year for the sector. A significant amount of the legislative programme, as outlined in the Queen's Speech analysis above, relates directly or indirectly to health. The secretary of state will also now be giving evidence to his predecessor, Jeremy Hunt, after he won the chairmanship of the Health and Social Care Select Committee.

Soon after succeeding Jeremy Hunt as health and social care secretary in July 2018, Hancock identified his three key priorities for the NHS as: reducing staff shortages; the prevention of ill health; and much greater adoption of technology.

The secretary of state will be familiar with the challenges faced by the NHS, particularly in the growing social care crises, workforce gaps, NHS pensions and capital. We look forward to continuing to work with him to address these issues.



Chief Secretary to the Treasury

Rt Hon Steve Barclay MP

Former minister of state at the Department of Health and Social Care and until last month, Secretary of State for Exiting the European Union, the Chief Secretary to the Treasury is well acquainted with the health sector.

Many of the outstanding issues in the NHS, whether pensions, social care or capital, are often directly or indirectly impacted by the Treasury's position. The Chief Secretary is a key position with oversight of spending controls, public sector pay, pensions, capital and efficiency and value for money in public service.

Previous occupant: Rishi Sunak MP - see Chancellor



Chancellor of the Duchy of Lancaster

Rt Hon Michael Gove MP

Michael Gove has been re-appointed Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office, a position which comes with responsibilities such as advising the Prime Minister on policy implementation and the management of Cabinet meetings.

The office is now seen to be at the centre of government along with four great offices of state, and often serves as a conduit of government business. Over the past year, Michael has been placed in charge of 'no-deal' planning and is now set to oversee future relationship negotiations with the European Union with a number of staff from DExEU joining the Cabinet Office following the closure of the department.

He is also believed to physically reside at the heart of government, sharing a corridor between Number 10 and office of his former special adviser Dominic Cummings, who now serves as Chief Special Adviser to the Prime Minister. And given his role in no-deal planning and the future relationship negations, he is also a key conduit between government policy and key sector stakeholders.



Northern Ireland Secretary

Rt Hon Brandon Lewis CBE MP

The newly appointed Northern Ireland secretary has significant experience in local government through his time as a council leader on a strategic partnership steering group and as a government minister. He therefore hopefully adds another voice to the Cabinet table with experience of the constraints of the current social care system and the importance of the NHS to the local growth agenda.

He takes over as Northern Ireland secretary at the start of a critical year following a deal to restore a power-sharing government at Stormont in January 2020. Northern Ireland will also remain a key question in the future relationship negotiations over the coming year. If there is significant divergence between the UK and EU, this will have implications for goods travelling to Northern Ireland – goods that are vital to the health and social care sector. You can find out more about the implications for health from the future relationship negotiations in our Brexit Health Alliance briefing *Prioritising* health in our future relationship with the EU.

Previous occupant: Rt Hon Julian Smith MP

The outgoing Northern Ireland secretary, Julian Smith, had only last month overseen talks which led to the Northern Ireland parties agreeing a deal to restore a power-sharing government at Stormont. He also served as the last Prime Minister's Chief Whip during a period of 60 ministerial resignations and tight parliamentary arithmetic.

Department of Health and Social Care ministers



Under Secretary of State for Prevention, Public Health and Primary Care

Jo Churchill MP

Jo Churchill continues as Under Secretary of State at the DHSC, with responsibilities including public health, primary care and community health.

The Under Secretary has a professional background working in the construction sector. Having survived two cancer diagnoses, she previously wrote that her "lifelong interest in politics became more focused [in 2010], when I started campaigning for improved cancer outcomes". She has commented that "receiving good treatment shouldn't be about luck!".

In her maiden speech, she spoke of her admiration for the NHS. In November 2016, she introduced the Health and Social Care (National Data Guardian) Bill as a Presentation Bill, which sought to improve the safeguarding of citizens' confidential information. She has served as chair of the All-Party Group for Personalised Medicine, and as vice-chair of the All-Party Groups on Cancer and Breast Cancer. She also previously served as a parliamentary private secretary to Jeremy Hunt for six months while he was health and social care secretary.



Minister of State

Helen Whately MP

The most notable change at DHSC was Helen Whately joining as Minister of State (Minister for Care) following Caroline Dinenage's move to the Department for Digital, Culture, Media and Sport.

The minister is no stranger to health and social care following her work as a management consultant in the NHS and both her parents worked as doctors. The NHS has also been a focus for the minister throughout her parliamentary career: she has previously served as the vice-chair of the APPG for Mental Health, co-chair of the APPG for Healthcare and was a member of the Health and Social Care Committee.

Health is a common thread throughout Helen parliamentary memberships, and she has cited her desire to "fix" the health service as the reason she got into politics. She also used her maiden speech to increase transparency in the NHS and to stop it being used "as a political football".

Helen will lead on adult social care, including dementia, loneliness and disabilities, hospital care quality, community health services and health and social care integration.

The next year will be critical for social care, with a commitment in the Queen's Speech "to seek a cross-party long-term reform for social care so that everyone has the dignity they deserve and nobody who needs care has to sell their home." The government is expected to come forward with plans this year.

The NHS Confederation leads the <u>Health for Care campaign</u> which brings together a coalition of 15 national health organisations to make the case for a sustainable social care system, backed up by a long-term funding settlement.



Under Secretary of State for Mental Health, Suicide Prevention and Patient Safety

Nadine Dorries MP

Former nurse and medical representative Nadine Dorries has been reappointed to her role. Her responsibilities include mental health, suicide prevention, NHS litigation, patient safety and experience. Nadine's interests include health, social structure and law and order, and she was an early supporter of the Prime Minister's leadership campaign.

Notably this month, the Under Secretary led the government's response to the Paterson Inquiry, stating that the government was "committed to ensuring lessons are learned and acted upon from the findings, both in the NHS and the independent sector".



Health Minister

Mr Edward Argar MP

A former management consultant who was made Minister of State for Health in September 2019. His responsibilities include NHS capital, workforce, the government's mandate for NHS England and NHS Improvement, transformation and Brexit.

In his maiden speech, Edward stressed the need for improvements to dementia care and mental health provision. He also served as a non-executive board member of an NHS Trust until 2010 and served on a number of APPGs with a health focus, including dementia and visual impairment.

What next?

Following confirmation of the new Cabinet, the government is set to confirm all of the lower ministerial ranks and responsibilities in the coming days. We will keep you updated if there are any further implications for health.

One key implication of the reshuffle is the timing of the Budget, which was due to take place on 11 March. In the hours that followed the reshuffle and the change in the Chancellor, the government was unable to confirm whether the Budget will take place on this date. We will keep you updated on this and provide a full review of the Budget and what it means for health when it does take place.

The chief executive of the NHS Confederation, Niall Dickson, has called for a meeting with the Secretary of State for Health and Social Care and members of DHSC, including new members, to discuss urgent priorities of the NHS.

Since the general election, the NHS Confederation and its networks have been in contact with all MPs with top priorities for members, and have embarked on a programme of engagement regarding the government's new legislative agenda. This includes raising the issues you told us are important to you, as detailed in our report <u>Time to deliver</u>: <u>NHS priorities for the new government</u>:

- setting a realistic budget in the 2020 Spending Review to restore investment in training clinicians, facilitate recruitment and retention, and mitigate the effects of the loss of the nursing bursary
- scrapping the tapered allowance on pension contributions
- delivering a long-term solution to social care
- creating an emergency capital infrastructure fund for those NHS trusts with maintenance backlogs deemed high or significant risk
- publishing a white paper in response to the independent review of the Mental Health Act and committing to a new mental health bill

The NHS Confederation-led Brexit Health Alliance and NHS Employers-led Cavendish Coalition will continue to lobby the government to ensure that patients and staff are at the heart of Brexit negotiations.

About the NHS Confederation

The NHS Confederation is the membership body brings together and speaks on behalf of organisations that plan, commission and provide NHS services in England, Northern Ireland and Wales. We represent hospitals, community and mental health providers, ambulance trusts, primary care networks, clinical commissioning groups, integrated care systems, as well as independent sector organisations providing NHS care.

To find out more, visit www.nhsconfed.org or email ExternalAffairs@nhsconfed.org



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