

---

# Coalition Governance in Scotland and Wales

by Ben Seyd

---

May 2004

The  
Nuffield  
Foundation



The Constitution Unit

---

ISBN: 1 903903 30 1

First Published May 2004

Copyright © The Constitution Unit

Published by The Constitution Unit  
School of Public Policy, UCL  
29–30 Tavistock Square  
London  
WC1H 9QU

Phone: 020 7679 4977

Fax: 020 7679 4978

[constitution@ucl.ac.uk](mailto:constitution@ucl.ac.uk)

[www.ucl.ac.uk/constitution-unit/](http://www.ucl.ac.uk/constitution-unit/)

This report is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, hired out or otherwise circulated without the publisher's prior consent in any form of binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

---

---

# *Contents*

Executive summary	5
Coalition Governance in Scotland and Wales	7
The focus of the study	7
Overview of coalition government in Scotland and Wales	8
Coalition government and electoral choice	9
Government formation and termination: The constitutional rules	12
Negotiating a coalition	13
The coalition agreement	15
Managing coalitions	16
Coalitions in a devolved polity	20
Conclusion: Themes and lessons	21
Annex 1: Chronology of the coalitions	25
Annex 2: Coalition ministries in Scotland and Wales	26
Annex 3: Details of study visits	27

---

This study was generously funded by the Nuffield Foundation.

The Nuffield Foundation is a charitable trust established by Lord Nuffield. Its widest charitable object is 'the advancement of social well-being'. The Foundation has long had an interest in social welfare and has supported this project to stimulate public discussion and policy development. The views expressed are however those of the authors and not necessarily those of the Foundation.

---

## *Executive summary*

This Briefing analyses the initial experience of coalition government in Scotland and Wales. Scotland has been ruled by a coalition administration since the first devolution elections in 1999; Wales experienced a coalition for over half the first term of the National Assembly. It is thus a good time to review the early experience of power-sharing government: to explore how the coalition arrangements worked, what adaptations have been made to these arrangements, and what further reforms might be necessary in future.

### *Elections*

Coalition government has not greatly altered the conduct of elections. The parties in Scotland and Wales have not reduced their room for manoeuvre in any post-election bargaining by signing up for one coalition or another prior to the poll. Surveys conducted in Scotland and Wales suggest members of the public would like the parties to provide this information. But the parties have limited their pre-election 'signals' to ruling out certain parties, rather than ruling others in. Nor did the two coalitions campaign in 2003 as a government, but rather as separate parties (although some preparations were made for the possibility of coalition re-formation after the election).

### *Constitutional rules on government formation and termination*

The constitutional rules in Scotland covering the way governments form and terminate are, in the main, well designed. However, a question remains about the timescale for government formation. After an election, the Scottish Parliament must reconvene within seven days, and an investiture vote on the First Minister must be held after fourteen days (although he or she need not be voted into office until twenty eight days after the election). These requirements might serve to rush the process of coalition formation. Coalition formation took just five days in 1999, and eight days in 2003, comfortably within the period before the first investiture vote. However, should coalition bargaining involve parties that are new to government, the negotiating period might be longer, potentially running up against the investiture vote deadline.

The constitutional rules in Wales are even tighter than those in Scotland, since a First Minister must actually be chosen within fourteen days of an election, not merely an initial investiture vote be held. More seriously in Wales, the constitutional rules make no provision for the Assembly to be dissolved in the event that no secure government can be formed. In such a situation—by no means unlikely—this absence risks entrenching deadlock.

The period immediately prior to the elections in May 2003 was relatively smooth for the coalitions in Scotland and Wales, with no evidence of any major departure from collective responsibility. Policy makers in Scotland made some provision for potential coalition sensitivities before and after the election. Prior to the poll, it was agreed that major policy announcements be cleared with both coalition leaders. It was also agreed that, in the event of a coalition defeat at the election, it would continue in office *pro tem* as a 'caretaker', but would take no major policy decisions that would bind its successor.

### *Negotiating a coalition*

The most noteworthy feature of the coalition negotiations in Scotland in 2003 were the support arrangements introduced by civil servants. Each negotiating party was offered the support of two officials attached to the parties, with a wider pool of officials responsible for policy advice and document drafting. This ensured that the parties had good access to official information and advice, and also that this was provided on an equal basis. The parties themselves also introduced different arrangements in 2003, with more input to the negotiating process from the parliamentary and wider party arms.

---

## *The agreement*

The coalition agreement signed in Scotland in 2003 is three times as long as that signed by the same parties in 1999. This reflects the greater understanding of coalition government by both parties, and the role that an initial agreement can play in effective coalition management. The greater detail of the agreement second time around does not appear to threaten the capacity for government flexibility. However, officials would be more concerned about highly prescriptive agreements reached by parties with little experience of government.

## *Coalition management*

The coalitions in Scotland and, to a lesser extent, in Wales operated quite well during their first terms. Both administrations introduced a set of internal procedures to reflect the fact of coalition. These procedures included: information sharing, informal ministerial meetings, close relations among the special advisers and liaison arrangements between the executive and legislature. Coalition management within the executive has tended to be fairly centralised, around the key figures of the First Minister and Deputy First Minister. At the executive level, relations between the coalition partners during the first term were generally good. More difficulties were experienced with their parties in the legislature. Specific arrangements were introduced to facilitate better links since, in a situation where a coalition commands only a slim legislative majority, the legislature becomes a significant forum for intra-coalition tension.

## *The devolved angle*

Coalition management has not been significantly affected by the devolved nature of Britain's political system. Tensions might have arisen as a result of the 'semi-congruent' nature of government, with one party—Labour—holding office at the national level as well as participating in coalition at the sub-national level. However, with the exception of early policy decisions on such high profile issues as financing care of the elderly, Labour at the centre has not sought to impose policy terms on Labour in Scotland. Neither party was constrained by its central 'arm' when it came to the policy trade-offs involved in negotiating to form a coalition. Nor have inter-governmental relations provided any major tensions for the partners. Where the devolved system does occasionally produce problems for the coalitions is in debates held within Scotland and Wales on 'reserved' matters, which are often used by opposition parties to expose differences between the partners.

# *Coalition Governance in Scotland and Wales*

## *Introduction*

Since 1997, Scotland and Wales have secured two important 'firsts'. Excepting Northern Ireland, they were the first territories to enjoy significant powers under the Labour Government's devolution programme.<sup>1</sup> They were also the first to use a form of proportional representation to elect the members of their new legislatures. Both these initiatives have been extensively reviewed and analysed. But Scotland and Wales also boast a significant innovation that has been less closely studied: government by a power sharing, or coalition, administration. Scotland has been ruled by a coalition administration since 1999, while Wales experienced coalition rule for over half the first term of the Assembly. The electoral arrangements in Scotland and Wales make it highly likely that future administrations in the devolved tiers will involve power sharing arrangements. Coalitions thus appear to be a permanent feature of the new institutional arrangements. Given this, it is important that policy actors in both areas learn from their own experiences, as well as from the other.

The relevance of the first coalition administrations in Scotland and Wales is not limited to these areas, however. Such power sharing arrangements are rare in British political life. No formal coalition has governed from Westminster in the entire post-1945 period. While formal coalitions are increasingly common in local government, they remain the exception rather than the norm.<sup>2</sup> The experiences of Scotland and Wales are thus highly significant if we want to understand how government works when two or more parties share power. Should Britain ever move to a system of proportional representation to elect the House of Commons—for instance under the recommendations of the Jenkins Commission—this will increase the chances of coalitions becoming the norm rather than the exception. This Briefing, which compares the record of coalition government in Edinburgh and Cardiff, is intended to help this process of policy learning.

## *The focus of the study*

This study describes and analyses the early experiences of coalition government in Scotland and Wales. It focuses on those points of the government lifecycle where coalitions typically exert different pressures to a single party government. The first pressure point arises at election time. Under a system of proportional representation (PR), elections may not be conclusive for government formation, but rather lead to a further process of inter-party bargaining. Thus, voters may cast their ballot less to directly select or reject a government, than to nominate a party to engage in such bargaining. Alongside the changed role of elections, coalition politics requires a different set of constitutional rules to cover how governments are formed and terminate. These rules must reflect the chances of a coalition being less stable than a (majority status) single party administration, and the longer timescales often needed to form a government under multi-party conditions. When a coalition is in office, it must behave as a unified entity (at least most of the time), and not simply as an amalgamation of its constituent parties. While internal agreement and co-ordination is required among single party governments as well as among coalitions, the process is clearly more taxing when two or more parties share office than when government comprises a single party.

These are the broad issues, or 'pressure points', faced by coalition governments. They are explored in the following analysis, which concentrates on the following specific issues:

### *Elections*

1. If governments are formed through a process of inter-party trading after an election, how do voters at election time know what their vote is likely to mean for government outcomes?
2. If governments comprise more than one party, how are voters to know which party is responsible for which policy outcomes,

<sup>1</sup> The devolved authority in Northern Ireland, elected using the Single Transferable Vote, predated the devolved bodies in Scotland and Wales. Since the coalition arrangements in Northern Ireland are very different from those in Scotland and Wales, they are not reviewed here.

<sup>2</sup> Michael Temple, 'Coalitions and Local Government', paper presented to the *Co-operation in Government* conference, London, 17<sup>th</sup> June 1999.

and thus to allocate reward or blame when they cast their ballot?

### *Government formation*

3. What constitutional rules are appropriate in a situation of power sharing governments?
4. In the period between the election and the formation of a new government, what role should the 'caretaker' administration play?

### *Negotiating a coalition*

5. What processes and timescales are appropriate to the negotiation of an effective coalition?

### *The coalition agreement*

6. What kind of agreement best underpins an effective coalition, in particular its degree of policy detail?

### *Coalition management*

7. How can coalitions be managed to ensure a co-ordinated approach to policy making between the constituent parties? What specific mechanisms are effective in ensuring co-ordination?

### *Coalitions in a devolved polity*

9. How are the dynamics of coalition government shaped by a devolved political system?

These issues were given some initial treatment in an earlier Constitution Unit report which set the scene for the coalitions in Scotland and Wales.<sup>3</sup> The purpose of this Briefing is to revisit the earlier analysis, to explore how the coalitions performed during the first term of the new assemblies, and to identify what changes were made to their operation. The research draws primarily on two study visits to Edinburgh and Cardiff in autumn 2003, during which interviews were conducted with some of the key personnel involved in the coalition administrations. A list of those interviewed is at Annex 3. The Briefing also explores some public reactions to coalitions in Scotland and Wales, in particular people's attitudes towards the role of elections in a multi-

party situation. The data I review draws on the British Social Attitudes Surveys for 1999 and 2003.

## *Overview of coalition government in Scotland and Wales*

Scotland has been governed by a coalition since the first devolution elections in May 1999 (see Annex 1 for a brief chronology). It was always anticipated that the proportional voting system used in Scotland would deny any one party an overall majority in the Scottish Parliament. This is indeed what happened in both 1999 and 2003, with Labour gaining a clear plurality of seats after both elections (43% and 39% respectively), but falling some way short of an overall majority (Table 1). After the first election in 1999, Labour entered into coalition with the Liberal Democrats, giving the parties 57% of total legislative seats (although on only 48% of the vote). In 2003, Labour's share of seats fell, forcing it to continue in coalition with the Liberal Democrats, this time on a bare majority (52%) of seats.

In Wales, Labour had not expected to require the help of other parties to form a government in the Welsh Assembly. It had gained 55% of the principality's vote at the 1997 general election, and expected to command an overall majority in the Assembly. In the event, it fell just short, with 47% of seats. Given that links with the Liberal Democrats—the main potential coalition partner—were far weaker than in Scotland, Labour decided to govern alone as a minority administration. But, unable to rely on the Assembly to pass its measures, the Labour administration had to compromise on both policy issues and personnel (for example, the Speaker position, and many committee chairs, were allocated to the opposition parties). The government's impotence was demonstrated in February 2000 when the First Minister, Alun Michael, was unseated in a no confidence vote. Michael's successor, Rhodri Morgan, wanted his administration to have greater control over the policy process, and thus initiated talks with the Liberal Democrats to bring them into government. A coalition was established in October 2000, and lasted until the election in May 2003. At that election, Labour increased its seats to 30 out of the total 60. With Plaid Cymru taking the post of Speaker (who does not ordinarily

<sup>3</sup> Ben Seyd, *Coalition Government in Britain: Lessons from Overseas*, London: The Constitution Unit, 2002.



**Table 1: Voting outcomes in the Scottish and Welsh elections, 1999 and 2003**

	Scotland		Wales	
	Vote share*	Seat share	Vote share*	Seat share
1999				
Labour	35%	43%	36%	47%
Lib Dems	13%	13%	13%	10%
2003				
Labour	32%	39%	38%	50%
Lib Dems	13%	13%	13%	10%

\* Average across constituency/list vote  
Decimal places rounded up or down to nearest integer.

participate in Assembly votes), Labour held a bare majority of one seat in the legislature. This was enough to encourage it to form a single party government, with the Liberal Democrats returning to opposition.

### **Coalition government and electoral choice**

If an election fails to deliver a majority of legislative seats to one party, it is common for parties to enter into a process of bargaining to form a coalition. In this situation, the link between individual votes and the formation of a government is weakened, since voters are less likely to know what their ballot will mean for electoral outcomes. If the parties 'cleave' into two distinct camps (eg, one on the left and one on the right), voters will have a pretty good idea of the likely coalition configurations, since a party in one camp will be unlikely to cut a deal with a party in the other. However, this scenario depends on there being no party located in the middle, since such a party can cut a deal with either side, again

opening up the possibility of many voters being unaware before the election what their vote will mean for the outcome.

A better safeguard is for the parties to inform voters in advance of the election what their post-election coalition strategy will be. Parties may not like this approach, since it limits their freedom of manoeuvre. But voters seem to prefer it this way. The main population surveys conducted after the Scottish and Welsh elections in 1999 and 2003 contained a question which asked respondents whether they approved of pre-election 'signalling' by the parties. The results (Table 2) show that people generally support the idea of the parties making public their coalition preferences. However, in Scotland, fewer people took this view in 2003 than in 1999, although the reverse was the case in Wales. Maybe this reflects the fact that, in Scotland, the Labour-Liberal Democrat coalition was always likely to be renewed given the right electoral arithmetic, whereas in Wales, voters were more uncertain about the likely outcome.

**Table 2: Popular views on pre-election 'signalling' by the parties**

"All parties should have told us before polling day who they would prefer to work with in a coalition government"

	Scotland		Wales	
	1999	2003	1999	2003
Strongly agree/Agree	53%	45%	41%	44%
Neither agree nor disagree	20%	19%	27%	19%
Strongly disagree/Disagree	14%	15%	16%	14%
Balance in favour of pre-election signalling	+39	+30	+25	+30

Sources: *Scottish Parliament Election Survey 1999, Scottish Social Attitudes 2003; Welsh Assembly Election Survey 1999, Welsh Life and Times Survey 2003*

**Table 3: Public views on elections as 'mandates'**

	Scotland		Wales	
	1999	2003	1999	2003
It is more important that elections should produce a clear winner so that it is voters who decide who forms the government	41%	40%	51%	49%
It is more important that elections should produce a fair result, even if this means it is not clear who should form the government	43%	41%	36%	35%
Balance in favour of mandate	-2	-1	+15	+14
Sources: As Table 2				

In fact, the parties have largely ignored voters' wishes here. At most, they have ruled out certain coalitions rather than binding themselves to potential partners. In Scotland, in 1999 and 2003, the Conservatives ruled out a coalition with the Scottish National Party (SNP), a position reciprocated by the SNP. In formal terms, the Liberal Democrats indicated in 1999 that they would deal with whichever party gained the most seats, a stance they repeated in 2003. On both occasions, however, they clarified this position by stating they did not believe the SNP would meet this test, thus effectively ruling out a deal with the nationalists. For its part, Labour made no public indication of its preferred coalition partner in either 1999 or 2003.

In Wales, the first devolved election in 1999 was expected to produce a Labour majority, so little attention was paid to coalition options. Prior to the second Assembly election in 2003, the Conservatives expressed reservations about entering a coalition with the Liberal Democrats; the Liberal Democrats reciprocated. Plaid Cymru indicated they would not go into coalition with the Conservatives. Labour indicated that it would be unlikely to form a coalition with the Conservatives or Plaid Cymru, without explicitly ruling out these options.

So the parties are hardly providing the conditions in which all voters can confer mandates on potential future governments. How do people in Scotland and Wales respond? The two post-

election surveys explicitly canvassed the public's views on this issue, by asking for responses to statements that elections should provide either for a mandate or for a representative outcome. There is clearer support for the mandate role of elections in Wales; in Scotland, roughly equal proportions believe elections should provide a mandate or a fair outcome (Table 3). Moreover, the relative popularity of the two options has not changed between the two devolved elections. We can infer that, the more the public is reconciled to coalition arrangements—as in Scotland—the less likely they are to believe that elections should allow for the direct selection of a government.

But what if people are concerned less with using their vote to confer a mandate on a government, than to reward or sanction a government already in office? This requires 'clarity of responsibility', with voters being clear which party is responsible for which policy outputs.<sup>4</sup> Such clarity is difficult to provide when more than one party holds office, since coalitions involve concessions between the partners, which muddies, rather than clarifies, responsibility. Yet coalitions can provide voters with at least some clarity, provided two conditions are met. The first is that a particular party habitually controls a particular portfolio, so that voters can identify that party with outputs from that portfolio. The second is that the coalition partners control ministries by themselves, so that any decisions in a particular

<sup>4</sup> G Bingham Powell, *Elections as Instruments of Democracy: Proportional and Majoritarian Visions*, New Haven, CT: Yale University Press, 2000 (pages 50–68).

<sup>5</sup> Note that, while these conditions may help voters to impose sanctions on a party within a coalition (by withdrawing their vote from that party), they may not be able to impose sanctions on the coalition as a whole (since this comprises at least two parties). Also, there is no guarantee that sanctions will be effective. Under multi-party conditions, a coalition party may lose voters' support at an election, yet still make it back into government afterwards.

**Table 4: Public views on elections as 'sanctions'**

	Scotland		Wales	
	1999	2003	1999	2003
It is better to have just one party in government so that it is very clear who should be blamed if things go wrong	33%	31%	41%	37%
It is better to have two or more parties in government so that more people's views are represented	55%	54%	47%	48%
Balance in favour of sanctions	-22	-23	-6	-11

Source: As Table 2

field can be allocated to either one partner or the other.<sup>5</sup>

The coalition in Scotland has gone some way in helping voters to clarify responsibility. Until after the 2003 election, each ministry had remained in the same party's hands over three different governments (Annex 2). Thus, for example, the junior partner—the Liberal Democrats—held the Rural Affairs and Justice ministries throughout the first term, although the Justice ministry was reallocated to Labour in 2003. But muddying the waters is the fact that the partners tend not to control discrete ministries, but share the responsibility for certain portfolios. Thus, junior ministers from one party are often located in ministries headed by the coalition partner (this was also the case in the Welsh coalition). Such an arrangement may aid co-ordination of the coalition, but does little to help voters identify which party is responsible for which policy decisions.

Maybe, however, clarity of responsibility is of little concern to voters? As with the mandate role of elections, post-election surveys have tested attitudes towards the role of elections in enabling sanctions to be conferred on governments. The results (Table 4) suggest that, while three to four voters in ten believe elections should allow for sanctions to be imposed on governments, rather more people believe the representation of viewpoints to be a more important goal. In Wales at least, there has been a shift to the latter goal since 1999. Maybe the experience of coalition has reassured Welsh voters about the risks of power sharing governments blurring lines of accountability. Comparing Tables 3 and 4 suggests that more people are concerned about the weakness of mandates in a coalition situation than with the difficulty of imposing sanctions.

Finally, what impact has coalition had on the parties' behaviour at elections? As already mentioned, the governing parties in Scotland and Wales did not campaign as a coalition, but as separate parties. I noted above that this strategy arguably hinders voters' ability to treat elections as opportunities to confer a mandate on a government. A second potential pitfall in the parties' approach is that separate campaigns—emphasising different issues or policy options—might hinder a smooth process of coalition formation after the election. Prior to the devolved elections in 2003, Labour and the Liberal Democrats engaged in little or no co-ordination of electoral tactics or policy messages. In Wales, the only nod in the direction of a possible coalition was the preparation by both parties for internal conferences after the contests to approve any coalition negotiations. However, in Scotland slightly more attention was paid to the possibility of a subsequent power sharing executive. Prior to the elections, the party leaders held discussions about their respective election themes, with a view to identifying the main areas of difference in the event of coalition negotiations.

One reason why, in 2003, the coalition partners could campaign separately, without risking difficult relations after the election, was the limited electoral competition between them. In only five constituencies in Scotland, and two in Wales, did Labour and the Liberal Democrats occupy first and second place after the 1999 election. There were thus few seats in which the main electoral competition in 2003 was between the coalition partners.<sup>6</sup> This reduces the potential for elections to undermine coalition unity, at least while electoral conditions remain the same and while coalitions are formed by Labour and the Liberal Democrats.

## ***Government formation and termination: The constitutional rules***

Parties' decisions about whether to enter or leave a coalition are shaped by the formal (or constitutional) rules that dictate how governments are formed and end. The rules contained in the *Scotland Act 1998* and *Government of Wales Act 1998* (and the Standing Orders for the two devolved legislatures) are very different.<sup>7</sup> How well have they stood the test of time thus far?

The rules on government formation and termination in Scotland are more detailed than those in Wales, reflecting their framers' anticipation of power sharing executives. Even at the outset, the rules appeared well designed and appropriate. Subsequent experience of coalition government suggests no major revisions are necessary. But the earlier Unit report on coalition government raised concern on one issue. This was the timescale for the recall of the Parliament (which, under the *Scotland Act*, is required no more than seven days following an election) and the first investiture vote on the First Minister (which, under the Scottish Parliament's *Standing Orders*, is required no more than fourteen days after an election). These requirements arguably serve to rush the process of coalition formation. In 1999, the coalition negotiations lasted a mere five days, which most participants felt was too short a timescale (see Annex 1).<sup>8</sup> In 2003, government formation was slightly longer, at eight days. This timescale seems to have caused little difficulty, allowing as it did for detailed policy negotiations supported by civil servants (see page 14). However, should coalition negotiations be conducted between parties new to government and/or unfamiliar with one another, the negotiating period might need to be extended. But this may run up against the requirement for the Scottish Parliament to hold a vote on a First Minister within fourteen days of an election, something that would be difficult if inter-party bargaining was ongoing.<sup>9</sup>

In Wales, the constitutional rules covering government formation were initially less developed than those in Scotland, although they have subsequently come to closely resemble their Scottish counterparts. However, unlike the Scottish Parliament, the rules in Wales make no provision for a dissolution of the Assembly. This reflects the fact that the Assembly has no primary legislative functions, and thus cannot veto the executive's bills or deny it supply (the principal cause of logjams in parliamentary systems, and for which a dissolution provision serves as a remedy). In cases where an executive or First Minister resigns, the Assembly must find a replacement, since there is no recourse to fresh elections via a dissolution. Yet the potential for deadlock in the selection of a replacement executive and/or First Minister is real, and it is the major weakness of the constitutional rules in Wales that no provision to resolve such an impasse exists.

A second weakness of the constitutional rules in Wales is similar to that just identified for Scotland. Under the *Government of Wales Act 1998*, the date of the Assembly's initial sitting in 1999 was set by the Welsh Secretary. In 2003, the Assembly remedied this via a temporary Standing Order that stipulated a recall no later than one week after the poll (with provision for an earlier date if agreed by the leader(s) of the party(ies) commanding a majority in the Assembly). The Standing Order also provided for the election of the First Minister no later than fourteen days after the poll. The Standing Order was agreed by all the parties, who recognised the possibility that elections in Wales may yield indeterminate results, and thus require a process of inter-party bargaining to form a coalition. But the rules in Wales impose even tighter restrictions on the negotiating process than those in Scotland, since the National Assembly must actually select a First Minister within two weeks of the poll, not merely hold an investiture vote, as in Scotland. In a multi-party situation, the constitutional rules must strike a balance between allowing the parties adequate time to negotiate a new government and

<sup>6</sup> Although there were other seats where one of the parties came a close third to the other. Nor were the parties in competition for list seats.

<sup>7</sup> See Seyd, *op cit* fn3.

<sup>8</sup> Although the brevity of the negotiations in 1999 was more a product of the participants' desire to avoid a hiatus after the election than the constraints of the constitutional rules.

<sup>9</sup> A First Minister must be chosen by the Parliament within twenty eight days, although the first investiture vote must be held within fourteen days.

minimising the hiatus in government capacity. Arguably, the rules in Wales—and Scotland—err towards the latter consideration at the expense of the former. Future elections which lead to coalition negotiations will test whether the existing framework is appropriate or unduly restrictive.

However, not all the important elements of the government formation process are covered by the constitutional rules in Scotland and Wales. The legislation says little, for example, on the issue of government conduct immediately prior to the election, or immediately after it, when a replacement government might be in the process of formation.

The Scottish and Welsh coalitions lasted right up to the elections in May 2003. This surprised some observers (and some coalition participants!) who had expected the coalitions to break up prior to the election in order for the parties to campaign more strongly on their own grounds. In fact, not only did the coalitions endure to the end of their terms, there was little or no disengagement from the internal discipline of coalition. Collective cabinet responsibility was maintained throughout the election period. In both areas, essential government business was brought forward to avoid the campaigning period, although this reflected a concern to ensure that important policy commitments were delivered, rather than to avoid coalition sensitivities prior to the poll. As with Westminster, the immediate pre-election period saw the Scottish and Welsh administrations go into 'purdah', with government activity reduced to a minimum. In Scotland, although not in Wales, provision was made by the Cabinet Secretariat for any essential policy decisions to be agreed jointly by the First Minister and Deputy First Minister, representing the coalition partners. However, in Scotland, the partners did not try to exploit their ministerial positions to boost their party's support in the run-up to polling day. In Wales, my interviews suggested that the Liberal Democrats had maintained an active approach to ministerial decision making in the run-up to the election, although not to the extent of providing an unfair advantage.

Under PR electoral systems of the type in Scotland and Wales, an election may be followed by a hiatus before a new government takes office. After Westminster elections, governments are typically installed within days. But the average timescale for government formation in west European countries where coalitions are the norm is around three weeks.<sup>10</sup> In the interim, the incumbent government assumes the mantle of a 'caretaker' administration. It is rare in other western countries for the role of caretaker governments to be covered by formal constitutional rules. Instead, caretakers generally observe a self-denying ordinance, which precludes them from taking major policy decisions. In Scotland prior to the 2003 election, there was an agreement to this effect by the First Minister and Deputy First Minister: that any caretaker should avoid taking decisions that might compromise its successor. Civil servants indicated to me that, should such a decision have been required during the caretaker period, no formal processes had been provided for. Instead, they would probably have suggested that ministers consulted the principal opposition parties to ensure majority support for the decision. The position of a potential caretaker administration did not arise in Wales prior to the 2003 election, since the election was anticipated to yield either a single party Labour government, or the continuation of the Labour-Liberal Democrat coalition.

### *Negotiating a coalition*

The process by which a coalition is put together is an extremely important one, since the main outcome of the process—usually a formal written agreement on policy and process issues—shapes the conduct of the coalition throughout its subsequent life (an issue covered in the next section). Decisions taken at the outset are thus a substantial constraint on what the coalition can do during its time in office. Given the importance of reaching a well designed and considered agreement, what is the optimal negotiating process? The three features I consider in this section are the timescale over which the negotiations last, the expert advice on which the negotiators can draw and the role of the parties themselves.

<sup>10</sup> See Seyd, *op cit* fn3. The figure is calculated from data in Wolfgang Müller and Kaare Strøm, eds, *Coalition Governments in Western Europe*, Oxford: Oxford University Press, 2000.

## *Timescales*

The first coalition in Scotland was put together after the 1999 elections in just five days. The partners agreed that, in hindsight, this process was unduly rushed, although guided by a legitimate belief that the public would not take kindly to a protracted period of government bargaining after the first devolution election. In 2003, this imperative was less strong, and the bargaining parties negotiated over a slightly longer eight day period. The negotiations to form a coalition in Wales in 2000 were atypical, since they were conducted in secret while a single party Labour administration was in office. The negotiations began soon after Rhodri Morgan took over as First Minister from Alun Michael in February 2000. Initially consisting of a handful of trusted ministers and advisers from both sides, the negotiations broadened out to two negotiating teams each comprising three to four people. These negotiations continued for around six months, until agreement on a common set of policies was reached. The negotiations also covered the number of portfolios each party would command. The decisions on which portfolios each party would take, and which individuals would fill these posts, were conducted by the two party leaders once the substantive policy discussions had concluded. The coalition was publicly announced in October 2000.

## *Official advice and support*

One difficulty facing the negotiating teams in Wales in 2000 was that one negotiating party—Labour—was already in office, and thus commanded the loyalty of civil servants. There was thus no question of the Liberal Democrats being granted formal access to officials for advice on their policy proposals. However, informal access was provided, allowing the Liberal Democrats to obtain civil servants' advice on their policy proposals, channelled via the Labour negotiating team.

In a more conventional scenario, coalition negotiations follow an election. Although at this stage a caretaker administration is still the incumbent government—and thus commands the support of civil servants—it is usually easier for opposition parties to gain access to officials if

they are involved in negotiating a coalition. In Scotland in 2003, the negotiating parties consisted of the Labour and Liberal Democrat incumbents, which made for rather more 'cosy' arrangements than would have been possible had the negotiating teams consisted of two or more parties outside government.

These negotiations were supported very closely by the civil service. But this support was scrupulously neutral between the parties. Officials were mindful that, during the previous negotiations in 1999, they had been seen to be more supportive of the Labour team than of the Liberal Democrats (maybe naturally, given that civil servants were drawn from the previous Scottish Office, and had served a Labour administration in London for the two previous years). Each negotiating team was supported by two civil servants, drawn from the Policy Unit or the private offices of either the First Minister or Deputy First Minister. These officials were charged with facilitating the provision of civil service advice and costings to each team. Requests for such support were channelled through a central secretariat, consisting of around 20 civil servants, headed by the Permanent Secretary. The channelling role of the secretariat meant that each negotiating team had equal access to official advice irrespective of the ministries they held in the previous government.

The negotiations themselves were driven by the parties, although civil servants from the central secretariat provided assistance in drafting the agreement. The close liaison between the negotiating teams, their supporting civil servants and the secretariat lent itself to an effective and prompt negotiating process. In a situation in which the negotiating parties were not as familiar with one another, rather clearer demarcation lines between the parties and the civil service might be required. However, the bare bones of the arrangements used in 2003 to support the coalition negotiations—namely the existence and co-ordinating role of a central secretariat—appear appropriate to any negotiations in the future.<sup>11</sup>

## *The role of the parties*

The Labour and Liberal Democrat negotiating teams in Scotland in 2003 each comprised eight

<sup>11</sup> Broadly similar arrangements have been introduced in New Zealand. See Seyd, *op cit* fn3, pages 69–70.

to ten people. The numbers allowed for small groups—of two to three people from each party—to convene and discuss individual policy areas. Agreements reached in these smaller groups were then discussed and approved by the full party groups meeting together. Any outstanding issues—and there were about ten such areas of disagreement in 2003—were then resolved through meetings of the party leaders, chief advisers and relevant ministers (the party leaders were not directly involved in the negotiations, but kept back to tackle unresolved issues).

Decisions on portfolios tend to be taken by the party leaders. The major decision in Scotland in 2003 was Labour's removal of the Justice portfolio from the Liberal Democrat leader, Jim Wallace. This reflected Labour's belief that the Liberal Democrats had already achieved sufficient policy 'wins', and also the party's own eagerness to implement policies to combat anti-social behaviour (on which they had campaigned strongly in the election). The potentially thorny issue of which individuals will fill the portfolios allocated to each party—as well as the identity of the special advisers—is a matter for each coalition partner to decide on its own (with no indication in either Scotland or Wales of these decisions having produced discontent among the partner party).

In Scotland, each negotiating party made provision for the party backbenchers to have an input to the discussions. The core of the Liberal Democrat negotiating team consisted of the party leader and convenor in the Scottish Parliament, with additional members being elected by the party's MSPs. On the Labour side, the chair of the backbench group, as well as the party's general secretary, were included in the team. When it came to ratifying the agreement, the Liberal Democrats held a formal meeting of ministers, MSPs, constituency chairs, national executive members and local council leaders. Each element of the agreement was discussed and approved, with the agreement itself gaining unanimous approval (compare this with the approval of the agreement in 1999, which passed only narrowly). Labour did not put the agreement to a formal vote of its backbenchers, although it

did provide backbenchers with progress reports on the negotiations, as well as a briefing at their conclusion. Thus, Labour backbenchers enjoy a more limited input into the coalition discussions than their Liberal Democrat counterparts. Overall, however, and in comparison with the negotiations in 1999—which were more rushed and therefore allowed less time for intra-party consultation—the negotiations were more inclusive of the wider parties. This may help prevent the intra-party conflicts between the executive and legislature which undermined the cohesiveness of the coalition during the Scottish Parliament's first term.

In Wales, the coalition agreement in 2000 was ratified for the Liberal Democrats by a special conference of delegates; Labour chose to ratify it only via a meeting of its executive.

### *The coalition agreement*

One sign of the growing maturity of the coalition in Scotland was the resort in 2003 to a more detailed policy agreement than in 1999. After the first devolution elections, Labour had sought a very brief agreement, of little more than one page. The Liberal Democrats had consulted with their sister party in the Netherlands, and were thus more attuned to the conventions of coalition governance. They successfully pushed for a more detailed document, although at just over 4,000 words, the agreement was less detailed than the average across west European countries.<sup>12</sup> To compensate for this lack of detail, the Scottish Partnership issued various forward looking documents ('Programmes for Government') on key policy issues during its first term.

The agreement signed in 2003 is considerably longer, at 14,000 words. In part, this reflects Labour's concern to 'bind in' its coalition partner, just as the Liberal Democrats see the agreement as a means of ensuring Labour ministers operate in a direction congruent with their own policies. This binding is particularly important for backbenchers, worried that ministers will 'sell out' their party's interests. Another rationale for a tight coalition agreement is to reduce the need for potentially difficult policy negotiations further

<sup>12</sup> See Seyd, *op cit* fn3, page 78. The figures in this report draw on data contained in Kaare Strøm and Wolfgang Müller, 'The Keys to Togetherness: Coalition Agreements in Parliamentary Democracies', *Journal of Legislative Studies*, 5:3–4, autumn/winter 1999, pages 255–82.

down the line. In other words, a detailed agreement is seen as a valuable tool in effective coalition management, as well as a means by which each coalition partner can ensure its goals are safeguarded. However, it does not appear to be the case that a detailed agreement reduces the amount of consultation needed with backbenchers, since there will always be details of implementation that will require consultation.

While a detailed agreement may be a sign that the coalition partners have reached agreement on the major issues facing the government, such prescription is not always favoured by civil servants. Officials in Scotland did not appear concerned by the size of the policy agreement in 2003. In part, however, this can be explained by officials' confidence in a coalition with a full parliamentary term's experience behind it. A similarly detailed agreement between parties with no experience of government might generate more concern, since it might reduce the potential for flexibility. A more serious drawback of the coalition agreement is its potential impact on the Scottish Parliament. The Parliament was designed as a 'strong' legislature, notably via provisions for the committees themselves to initiate legislation. However, the more detailed the initial government 'road map'—in the form of the coalition agreement—the less leeway there is for the government to be responsive to initiatives taken by backbench committees. What may be a valid instrument for coalition government may be less beneficial for a proactive legislature.

The agreement signed between the coalition partners in Wales in 2000 was longer than the first agreement in Scotland, at 6,900 words (not surprisingly, given its negotiation over far longer period than that in Scotland). Again, it was the junior partner that pushed for a detailed agreement, and subsequently found it of more use in ensuring that ministers did not deviate from the agreed policy commitments (this safeguarding function was deemed particularly important by the Liberal Democrat backbenchers, rather less so by the party's ministers). Ministers in Wales indicated that, while the 2000 agreement was not excessively detailed, they would prefer any future agreement to set a clearer picture on what the coalition would deliver (ie, outputs), but to be less prescriptive on the means (ie, inputs).

The coalition agreement signed by Labour and the Liberal Democrats in Wales undoubtedly served a more important function than its equivalent in Scotland, in large part because of the less harmonious relations between the partners in the principality. Progress towards meeting the terms of the agreement was reviewed periodically during cabinet away-days (although such exercises had more to do with showing the public that commitments had been met than with coalition management). The coalition agreement in Scotland was not the subject of regular formal monitoring and review, beyond individual departments' concern to show progress on 'their' commitments.

### *Managing coalitions*

The clear impression from policy actors in Edinburgh and Cardiff is that the coalitions established during the first term of the devolved bodies worked reasonably well. There is little doubt that the day to day operation of the coalition in Scotland was more successful than that of the Welsh coalition. This largely reflects the closer relations forged between Labour and the Liberal Democrats in Scotland prior to 1999, the anticipation that the first devolution election would yield a coalition (and thus the acceptance of, and preparation for, such an outcome) and the longer duration of the coalition.

Coalition government has involved a learning curve for the partners, as well as for civil servants and political advisers. By virtue of the longer duration of the coalition, the policy actors in Scotland are further up that curve than the actors in Wales. Thus, the first couple of years of the Edinburgh coalition were a struggle, with relations between the executive and backbenchers somewhat strained. But as the parties have grown accustomed to power sharing, both inter-party and intra-party relations have improved. The strains within the Scottish coalition during its early life were also evident within the Welsh coalition during its term in office. While this reflected a less trustful relationship between the two coalition partners, there is no reason to doubt that these strains would ease to an extent given a longer period in office. As it is, government in Wales has reverted back to a single party; whether coalition government will re-emerge in future remains to be seen.

The basic problem for any coalition is ensuring that the government pursues an agreed set of



policies when its ministries are divided between two or more parties. I have already noted the role played by the coalition agreement. However, the agreement will only deal with policy issues in broad terms, usually without considering issues of implementation. In addition, even a detailed and well prepared agreement will not anticipate all the policy decisions facing a coalition over its lifetime. Given this, how do coalitions co-ordinate business so as to act in a united way?

One option would be to relax the requirement for unity, allowing the parties to take different approaches on issues important to them. Something akin to this approach has been trialled in New Zealand, where the coalition between 1999 and 2002 adopted an ‘agree to disagree’ provision, allowing for the suspension of collective responsibility where both parties agreed to this.<sup>13</sup> However, in both Scotland and Wales, coalition government remains subject to strict collective responsibility, the only exception being issues that are ‘reserved’ to Westminster, on which the collective principle does not apply. On all devolved matters, the coalition partners must either reach agreement, or not proceed on the issue. How is such agreement reached?

The first thing to note are the formal mechanisms for inter party co-operation. In Scotland and Wales, these mechanisms are:

- A formal commitment to collective cabinet responsibility, and thus for both coalition partners to have sight of, and an opportunity to comment on, all policy decisions;
- The requirement for all information about impending policy decisions to be copied separately to the offices of the First Minister and Deputy First Minister;
- Regular bilateral meetings between the First Minister and Deputy First Minister;
- A range of ministerial committees and working groups below cabinet level (with cabinet serving as a forum for signing off decisions rather than as a collective arena for co-ordination and management);

- Close working relations between the parties’ special advisers;
- Dispute resolution via informal meetings of the First Minister and Deputy First Minister, plus relevant policy ministers.

In Scotland, these arrangements were introduced at the outset of the coalition in 1999, and have not changed substantially since then.<sup>14</sup> What does appear to have changed is the parties’ approach to coalition management, and their general commitment to the arrangements. In its early days, the coalition was built around a rather lop-sided relationship, centred on the figure of the First Minister, Donald Dewar. Many of the newly elected Labour and Liberal Democrat backbenchers were also reluctant to acknowledge the realities of power sharing government. Subsequently, the junior partner has been more closely integrated into government. In shorthand, Labour has become better at coalition (more willing to share information with the Liberal Democrats and to recognise the need to reach consensus), while the Liberal Democrats have become better at government (a greater appreciation of the need to compromise on policy pledges in the interests of reaching decisions). During their time in office together, both parties have also become more appreciative of the other’s core policy goals, making it easier to identify potentially tricky issues and possible areas of compromise.

Just as the parties have had to adapt to the managerial demands of coalition government, so too have civil servants had to change their working practices. Previously used to serving ministers in a single department, officials have had to get used to anticipating the likely views of the coalition partner when drawing up policy, even if the partner has no ministerial representation in the department concerned.<sup>15</sup>

The management of the coalition in Edinburgh has been helped by several developments since 2003, which provide the junior partner—the Liberal Democrats—with a broader resource base. For a start, the Liberal Democrats now have three cabinet ministers and three junior

<sup>13</sup> See Seyd, *op cit* fn3, pages 109–10.

<sup>14</sup> Although the relative importance of these mechanisms may have changed. Thus, for example, the sharing of information across both coalition partners was initially an important feature of the coalition (as it was also of the Welsh coalition). However, as the coalition management arrangements have matured and strengthened, this arrangement has become less important as a tool for management than as a means of preventing mistakes.

ministers, up from two of each prior to 2003 (see Annex 2). This eases the burden on the junior party's ministers, by enabling them to share more widely the workload, notably the papers copied to their offices and the cabinet sub-committees on which the party is represented. The party has also gained a presence in a key cross-cutting department, Finance, where the party holds a junior minister post. Since the coalition partners have agreed that special adviser posts be allocated in proportion to each party's share of seats (as with ministerships), the Liberal Democrats now enjoy the support of three special advisers, when, after the first devolution election in 1999, they were supported by a single adviser.<sup>16</sup> The easing of the administrative burden highlights a point made in the previous Unit report on coalition government, namely the need to ensure adequate resourcing and staffing for the junior coalition partner.<sup>17</sup>

The most noticeable shift in the way the Scottish coalition is managed concerns the relations between the executive (ministers) and the legislature (backbenchers of the coalition parties). Since the Scottish Parliament's first term, ministers—particularly Deputy Ministers—have had a responsibility to liaise with backbenchers, to keep them informed of ministerial decisions and provide a forum for backbench views to be conveyed back to the Executive. During the first term, however, this liaison was patchy. Since Jack McConnell took over as First Minister in 2001, the relations between the executive and legislature have improved. Liaison ministers now meet every two to three weeks with coalition MSPs, particularly those on the subject committees (these meetings are sometimes with Labour and Liberal Democrat MSPs together, sometimes with them separately). Information gleaned from backbenchers is then transmitted back to the executive via the weekly meetings that Deputy Ministers have with the Minister for Parliament. In turn, the Labour and Liberal Democrat spokespeople in the Parliament have a

responsibility for keeping their party caucus informed of ministers' views and actions. The party groups themselves are sometimes provided with direct briefings from ministers.

Within the legislature, the Labour and Liberal Democrat party groups liaise directly with one another, through informal channels and via the Backbench Liaison Group, which comprises four MSPs from each side. Initially set up in 2000, the Group fell into abeyance during the first term, but was rejuvenated in 2002 to provide better lines of dialogue between the party groups.

There are thus numerous lines of information and accountability, which ensure that the interests of the executive and legislature are now far more closely aligned than previously. In time, it may be that these reporting lines are slimmed down somewhat, or used less frequently. At present, the liaison process between ministers and backbenchers is fairly time consuming (although apparently not to the extent of slowing down the policy process). However, the effort put into executive-legislature linkages appears to be paying dividends, with fewer of the strains between ministers and backbenchers that characterised the initial years of the coalition.

One manifestation of the desire of the First Minister and Deputy First Minister for more effective coalition management, and in particular for better liaison with backbenchers, is the resuscitation of the Partnership Group. This comprises three ministers and three backbenchers from each party, plus each party's senior political adviser. While this body existed during the coalition's first term in office, its primary purpose was to resolve disputes. But because it was feared that any meeting of the group would signal a serious disagreement within the coalition, the group met only infrequently. During the coalition's second term, it is anticipated that the Partnership Group will focus on proactive policy planning—particularly on anticipating 'reserved' matters likely to affect

<sup>15</sup> Officials in both Scotland and Wales indicated to me that they had been somewhat apprehensive about the introduction of coalition administrations. In particular, many civil servants were concerned about the new working arrangements that would be required, and about the impact of power sharing on the governments' decision making capacity. But in both areas, officials freely admitted that the way the coalitions had operated during their first terms had largely put to rest these concerns.

<sup>16</sup> Special advisers are, as in Wales, located centrally and report to the First Minister or Deputy First Minister; they are not located in individual departments. This centralisation was a deliberate attempt by the incoming First Minister, Jack McConnell, in 2001 to boost the cohesiveness of the Executive.

<sup>17</sup> Seyd, *op cit* fn3, pages 118–19.

Scotland—and will therefore meet more frequently. A sign of the importance of this body is that secretariat facilities will be provided by officials from the Cabinet Secretariat.

This drive for closer relations between the executive and legislature was motivated largely by a desire for greater unity within the coalition and thus more effective government. But the results of the 2003 election have added a further stimulus to this drive, since the coalition now enjoys only a slender majority in the Parliament. The government can thus ill afford to lose the support of many backbenchers and, indeed, has made approaches to some opposition parties for support on certain policy measures. However, the fragmented nature of the small opposition parties—such as the Greens and Scottish Socialist Party—makes it difficult for them to ‘deliver’ support to the government on issues of shared concern.

The coalition in Wales between 2000 and 2003 was managed on similar lines to the one in Scotland. This is no coincidence; before forming the coalition, Liberal Democrat ministers (and, to a lesser extent, Labour ministers) consulted with their counterparts in Scotland.<sup>18</sup> The coalition was built around close relations between the two party leaders, Rhodri Morgan and Mike German. This partly reflected the warm personal relations between the two. It also reflected their desire to take charge of their own side’s contribution to the coalition. This meant contentious issues or disputes tended to get passed upwards to the leaders’ offices, to be dealt with either by the leaders themselves or by their special advisers. Morgan and German met formally each week, along with more regular informal interactions.<sup>19</sup> Both were formally required to be copied all important government papers, an arrangement that worked well in the main, although some ministers were less rigorous in copying information to their coalition partner than others.

One of the first changes introduced with the establishment of the coalition was to increase the number of government special advisers from four to six. This allowed the Liberal Democrats a

second adviser, who took on the responsibility for coalition management issues, with the other adviser more closely involved in policy issues. The advisers played an important role in coalition management, either by having specific responsibilities for co-ordination activities (which kept some of the burden from the party leaders) or, on the policy side, by keeping abreast of the coalition partner’s policy proposals and liaising with their party’s legislative spokespeople. Civil servants also helped underpin the effective management of the coalition, albeit in an administrative role. As in Scotland, the Cabinet Secretariat served as a ‘gatekeeper’ to the First Minister and Deputy First Minister, particularly in terms of filtering the large amount of paper copied to their respective offices, and ensuring that minor differences between coalition ministers were dealt with—either by those ministers or by the special advisers—and did not ‘travel upwards’ to the party leaders.

Many of the tensions within the Cardiff coalition arose from divergences between the executive and legislature. Mirroring the arrangements in Edinburgh, much was done to improve these relations. In portfolios where the coalition partner was not represented, ministers were expected to hold regular meetings with the partner’s relevant spokesperson in the Assembly. This co-operation was aided by the corporate nature of the Assembly, with ministers and spokespeople often sitting together on the relevant subject committee, and ministers consulting with the committee to gain approval for executive measures. Relations between some ministers and spokespeople were poor, with the Liberal Democrats occasionally having to threaten to veto a measure in the legislature unless consulted on its terms. Other ministers and spokespeople formed close relations, with regular monthly meetings outside the committees. In turn, the spokespeople would convey any important information from their ‘corresponding’ minister to their party’s ministers. Given that the Liberal Democrats had a presence in only three out of eight ministries, this information function was considerably more useful—and thus better used—for them than for

<sup>18</sup> One of the main outcomes of this consultation was the creation of a Deputy First Minister post, to whom all government papers would be copied. This was one of the key recommendations made by Liberal Democrat ministers in Scotland, to provide the junior party with a status within the coalition.

<sup>19</sup> For at least some of the duration of the coalition, all ministers and special advisers were based in a single storey in the new Assembly building. Physical proximity was a significant aid to interaction and co-ordination between the coalition partners.

Labour as the senior partner. However, the demands of consultation and information placed a considerable burden on Liberal Democrat spokespeople, who were granted no additional resources to help them in their liaison function.<sup>20</sup>

In spite of these efforts, the attitude of many backbenchers was suspicious of the coalition. Many Liberal Democrat backbenchers felt they were inadequately consulted on the executive's policy proposals, perceived the government to be overly dominated by Labour and were uncomfortable with the compromises they inevitably were asked to make. Labour ministers also experienced difficulties with their backbenchers, many of whom remained hostile to the concept of a coalition, and reluctant to make concessions to the coalition partner.<sup>21</sup> There was no formal liaison between the party groups within the Assembly, and co-ordination of voting was organised by the parties' Business Managers. Overall, however, coalition tensions were the product as much of disagreements within the parties as of those between them.

One indication that the coalition in Wales had not functioned altogether smoothly was Labour's decision after the 2003 election to form a government alone. The party currently enjoys a bare majority of one seat, making it highly vulnerable to opposition defeats. In spite of this pressure, Rhodri Morgan preferred to govern alone rather than enjoy the cushion provided by the support of the Liberal Democrats. In part this reflects Labour's belief that the election provided it with a mandate: while Labour's share of the vote at Westminster elections declined between 1997 and 2001, as it also did for the Scottish Parliament elections between 1999 and 2003, its vote share actually rose in Wales between 1999 and 2003. But Labour's decision to govern alone clearly also reflected the difficulties and frustrations of working in a coalition, particularly the constant process of consultation, and the tensions between, and within, the parties that power sharing inevitably involves.

## *Coalitions in a devolved polity*

Coalition governments are always more complex arrangements than single party administrations. And coalitions within a multi-tiered polity face even more complexities than coalitions in a unitary political system. The earlier Unit report on coalition government touched on these complexities.<sup>22</sup> Some are relatively minor and capable of easy resolution. Thus, for example, the Scottish and Welsh coalitions faced Westminster elections during the middle of their term, in 2001, while the Labour government in London also faced elections to the two devolved tiers midway through its term, in 2003. Elections are always likely to be unsettling if governments at the two tiers comprise different parties. In fact, both sets of elections appear to have caused few problems for the coalition administrations. My interviews suggested that, during the Scottish election campaign period, the Labour government in London had avoided issues that might impact on Scotland. The only controversial action was the decision to hold the Budget during this period. When it came to the Westminster elections in 2001, official guidance issued to the Scottish coalition partners indicated that government business should continue with little disruption, although in fact the campaigning activities of the parties reduced government business to a minimum anyway.<sup>23</sup>

Other issues arising from devolution may be rather more tricky to resolve. I noted above that, in both Scotland and Wales, devolved issues are subject to collective cabinet responsibility. In other words, any government action on a devolved matter must command the support of both coalition partners. On reserved matters (ie, issues on which legislative competence remains with Westminster), however, there is no requirement for collective responsibility. Reserved issues are often debated in the devolved legislatures; indeed, it is a common tactic of opposition parties to raise reserved matters on which the coalition partners take divergent lines. During their first terms, the coalitions in Edinburgh and Cardiff frequently found reserved issues caused them significant headaches. The coalition partners tried to

<sup>20</sup> The Liberal Democrats at Westminster sometimes stepped in to help with policy advice and assistance.

<sup>21</sup> Rhodri Morgan attracted much criticism from within his own party when, having taken over as party leader, he first mooted the idea of a coalition government.

<sup>22</sup> Seyd, *op cit* fn3, chapter 7.

<sup>23</sup> Seyd, *op cit* fn3, page 139.

mitigate the ructions that reserved issues could cause by trying to reach an agreed position that, at best, offered a united approach or, at worst, avoided the perception of division.

On very high profile issues such as membership of the European Single Currency or the war with Iraq, the coalition partners often adopted the line of their 'national' arms at Westminster. The inclination to support a national line seems to have been particularly acute within Labour, which is a more centralised party than the Liberal Democrats, whose internal structure is federal. However, in both areas, as the coalitions' term progressed—and the devolution arrangements became more familiar—Labour apparently became more willing to adopt a distinctive line from London.<sup>24</sup> Such distinctiveness is made difficult if the central arm of the party wishes to impose a single line on an issue. But my interviews in Scotland suggested this was the exception rather than the norm, with the Labour government in London rarely exerting pressure on Labour ministers in Edinburgh to toe the central line (except on high profile issues such as the funding arrangements for long term care of the elderly).

Nor was pressure exerted on Labour and the Liberal Democrats in Scotland or Wales by their central party arms when it came to negotiating the coalitions. At the time of the first coalition negotiations in Scotland in 1999, the Labour government in London had been concerned about policy compromises on issues such as student fees. Four years later, there was less concern about what compromises the Scottish party might make to secure a government. The central arms of the parties may have been kept informed of progress in the coalition negotiations in Scotland and Wales, but not to the extent of influencing their policy terms.

The other feature of coalition politics in a devolved polity that requires some examination is the interaction between the devolved and central governments themselves. Inter-governmental relations are far simpler when the parties represented in the two tiers are 'congruent' (ie, the governments in the two tiers comprise the same party) than when they are 'non congruent' (ie, comprising different parties). The situation with the coalitions in Scotland and Wales—

whose membership was 'semi-congruent' with that at the centre—can thus be expected to fall midway between these two poles. In practice, however, contact between Labour controlled departments in London and Liberal Democrat ministries in Edinburgh or Cardiff does not appear to have been difficult. Much of this contact occurs via civil servants, and is thus largely non-partisan. Even when ministers do get involved, the line taken by Liberal Democrat ministers in the devolved administrations is almost always subject to prior agreement with their Labour partner. Any major difficulties in the dynamic of inter-governmental relations rest with the unwillingness of Whitehall ministers and officials to consult with the devolved administrations, not with the different partisan composition of those administrations.

### *Conclusion: Themes and lessons*

Having reviewed the operation of the first coalitions in Scotland and Wales, what conclusions arise? How far have the coalitions changed over time, adapting to the demands of multi-party rule? In turn, what wider lessons can be drawn about coalition governance in a political system long used to single party rule?

The devolved coalitions have undergone rather little change since their inception. As such, the arrangements introduced to help underpin power sharing governments appear to have stood the test of time. This report has questioned the time limits on the coalition negotiation process (pages 12–13). This concern would become particularly acute when the negotiating parties are unused to government, and have little tradition of co-operation with one another. In such a situation, the constitutional rules risk allowing too little time for the parties to gain official advice on their programme for government, and to engage the wider party in the deliberations. The coalition negotiations in Scotland in 2003 were very well supported by dedicated teams of civil servants in what was a well planned and executed process. It would be desirable to see similar arrangements underpinning any future negotiations. Yet this may not be possible under current rules which limit the length of the bargaining process.

However, aside from this concern—and, in relation to Wales, the desirability of a formal

<sup>24</sup> No doubt this was also due to a desire to shore up its electoral support ahead of the 2003 elections.

dissolution provision for the Assembly—the constitutional rules appear adequate.

The second devolution elections in 2003 caused no real problems for the coalitions. More attention was paid by policy actors in Scotland than in Wales to the potential for power sharing to impose strains on government; for example, around the conduct of government prior to the election and the role of a 'caretaker' after it. These are important issues, which may require more prior planning should subsequent elections see more vigorous competition between the coalition partners and/or yield a new coalition whose negotiation stretches over weeks not days (the effect of which would focus attention on the role of the caretaker administration).

The internal management of the coalitions appears to have been broadly effective, and any changes in internal coalition processes have been ones of degree not kind. True, coalition management has not always proved easy. But improvements have involved making existing institutions and processes work better, rather than introducing new procedures. The internal operation of the Scottish coalition has clearly been more successful than its counterpart in Wales, largely because of the closer relations between the two partners. But both coalitions have had to work particularly hard at relations with the legislatures. In a situation where the government does not command a clear majority of votes, individual representatives command greater power. During their first terms, the coalitions were also faced with many representatives who did not approve of the compromises that coalition involved. These tensions have abated somewhat in Scotland, partly due to the acceptance among MSPs of the realities of coalition, and partly to the efforts made by the coalition partners to strengthen links between ministers and backbenchers, and between the two backbencher groups. This is one area where any transition to coalition arrangements at Westminster would require particular forethought and planning.

Coalition management in Scotland and Wales has also been aided by the increased resources available to the junior partner in both areas, both in terms of ministers and advisers. Ministerial

allocation is, of course, largely a function of a party's electoral success, although slight over-allocation to the junior coalition partner is both an established trend across western countries<sup>25</sup> and also a sensible strategy in terms of effective coalition management. The allocation of special adviser posts may be less dependent on electoral outcomes, and can thus be used to compensate the junior partner if they lack ministerial capacity. Certainly, special advisers play a key role in coalition management, as well as in their more traditional function of policy development.

In assessing the performance of the Scottish and Welsh coalitions to date, it is important to note the benign backdrop they have enjoyed. For one, the basic economic conditions in Britain have been relatively favourable in recent years. In Scotland at least, this has precluded the need for tough budget decisions that might have induced divisions between the coalition partners. The governing parties have also benefited from weak performances by the opposition parties. With the occasional exception, these parties have not exerted significant pressure on the two coalitions. This may change now that the coalition in Scotland enjoys a slimmer legislative majority. Finally, although relations with Westminster and Whitehall are never likely to break a coalition, they have been smoothed so far by the fact that the parties in office are at least partially congruent. A future coalition in Edinburgh or Cardiff may find life rather more difficult should it be faced with a non-congruent administration in London.

The fact that the rules, institutions and processes of government in Scotland and Wales have coped relatively well with the demands of coalition augurs well for Westminster should there be any move to a proportional electoral system at this tier. However, while policy actors in London can learn much from the early coalition experiences in Scotland and Wales, they would be unwise to rely on the informal processes and networks that underpin the devolved coalitions. Coalition governance in Scotland and Wales since 1999 may have been helped by the benign conditions just noted. But it also reflects the size of the governments and policy communities within which power sharing arrangements have

<sup>25</sup> Michael Laver and Norman Schofield, *Multiparty Government: The Politics of Coalition in Europe*, Ann Arbor: University of Michigan Press, 1998.

been introduced. Coalitions in small territories can rely far more on personal contacts and informal processes than those in larger countries. To this extent, the coalitions in Edinburgh and Cardiff set a basic framework for any coalition in London, although making it work at Whitehall and Westminster would be considerably harder.





# Annex 1: Chronology of the coalitions

## Scotland

1999	6 May	Election
	9 May	Coalition negotiations between Lab-Lib Dems
	12 May	Election of Speaker of Parliament
	13 May	Negotiations conclude. Donald Dewar elected as First Minister.
	14 May	Partnership Agreement signed.
2000	Oct	Donald Dewar dies. Henry McLeish elected as First Minister.
2001	Nov	Henry McLeish resigns as First Minister. Jack McConnell elected as First Minister.
2003	27 Mar	Parliament adjourns.
	1 May	Election.
	6 May	Coalition negotiations between Lab-Lib Dems
	7 May	Election of Presiding Office (Speaker) of Parliament.
	14 May	Negotiations conclude. Partnership Agreement signed.
	15 May	Jack McConnell re-elected as First Minister.

## Wales

1999	6 May	Election
2000	Feb	No confidence motion passed in Alun Michael. Rhodri Morgan elected First Secretary.
	Spring	Private negotiations between Lab-Lib Dems.
	6 Oct	Partnership Agreement signed.
	15 Oct	Agreement ratified by Lib Dem conference
	16 Oct	Mike German (Lib Dem) appointed as Deputy First Minister
2003	2 Apr	Assembly adjourns.
	1 May	Election.
	7 May	Rhodri Morgan elected First Minister

## *Annex 2: Coalition ministries in Scotland and Wales*

### *Scotland*

1999	2000	2001	2003
First Minister (Dewar)	First Minister (McLeish)	First Minister (McConnell)	First Minister (McConnell)
<b>Justice</b>	<b>Justice</b>	<b>Justice</b>	Justice
Enterprise and Lifelong Learning*	Enterprise and Lifelong Learning	Enterprise, Transport and Lifelong Learning	<b>Enterprise/Lifelong Learning</b>
Communities	Social Justice	Social Justice	Communities
Children and Education	Education*	Education and Young People*	Education and Young People*
Transport and the Environment	Transport and Planning		<b>Transport</b>
Finance	Finance and Local Government	Finance and Public Services	Finance and Public Services*
<b>Rural Affairs</b>	<b>Rural Development</b>	<b>Environment and Rural Dev.</b>	<b>Environment and Rural Dev.</b>
Health and Community Care	Health and Community Care	Health and Community Care	Health and Community Care
Parliament*	Parliament*	Parliamentary Business*	Parliament*
	Environment	Tourism, Culture and Sport	Tourism, Culture and Sport
Junior ministers: Ten (Lab=8; LD=2)	Nine (Lab=7; LD=2)	Nine (Lab=7; LD=2)	Eight (Lab=5; LD=3)
<b>Bold</b> = Liberal Democrat senior minister			
* = Liberal Democrat junior minister			

### *Wales*

2001-2003

First Minister (Morgan)

#### **Economic Development and Transport**

Environment

Education and Lifelong Learning

#### **Culture, Welsh Language and Sport**

Finance, Local Government and Public Services\*

Rural Affairs

Health and Social Services

Parliamentary business

Junior ministers: Five (Lab=4; LD=1)

**Bold** = Liberal Democrat senior minister

\* = Liberal Democrat junior minister

## *Annex 3: Details of study visits*

The interviews on which this study is based were as follows:

### *Edinburgh (30 September–1 October 2003)*

Patricia Ferguson MSP	Minister for Parliamentary Business
Ross Finnie MSP	Minister for Environment and Rural Development
Sam Ghibaldan	Chief of Staff, Deputy First Minister
Robert Gordon	Head, Legal and Parliamentary Secretariat, Scottish Executive
Jeane Freeman	Senior Special Adviser to the First Minister
Cathy Jamieson MSP	Minister for Justice
Michael Lugton	Head, Constitutional and Parliamentary Secretariat, Scottish Executive
Des McNulty MSP	Convener of Finance Committee (Labour)
Jamie Stone MSP	Liberal Democrat Spokesman on Enterprise and Lifelong Learning
Sir Muir Russell	former Permanent Secretary, Scottish Executive

### *Cardiff (7–8 October 2003)*

Nick Bennett	Former Special Adviser to the Deputy First Minister
Lawrence Conway	Head, Cabinet Secretariat, Welsh Assembly Government
Andrew Davies AM	Economic Development Minister; former Business Manager
Mark Drakeford	Special Adviser to the First Minister
Mike German AM	Former Deputy First Minister
Paul Griffiths	Senior Special Adviser to the First Minister
Chris Lines	Chief Executive, Welsh Liberal Democrats
Jenny Randerson AM	Former Culture Minister
Kirsty Williams AM	Former Chair of Health Committee; Liberal Democrat Spokesperson on Health

Very helpful follow up information on various constitutional issues relating to government formation and termination in Wales was provided by Steve Pomeroy, Head of the Cabinet and Constitution Unit, Welsh Assembly Government. Feedback on a draft of the report was kindly provided by Barry Winetrobe (Department of Law, Glasgow University).

Note that the conclusions contained in this Briefing are those of the author alone, and do not necessarily represent the views of any of the people listed here.

