

The Government Machinery Reshuffle

The Prime Minister has announced a reshuffle – not a big one, but a significant one. The catalyst was Nadhim Zahawi's resignation as Chairman of the Conservative Party. But the biggest surprise/change has been the re-organisation and re-naming of new Departments – something Rishi Sunak had indicated that he would like to do during the summer leadership election – so it's a Government Machinery Reshuffle with the following changes:

- The Department for Business, Energy and Industrial Strategy (BEIS) and the Department for International Trade have scrapped and merged into the new **Department for Energy Security and Net Zero**, the **Department for Business and Trade** and the **Department for Science, Innovation and Technology**.
- The Department for Digital, Culture, Media and Sport loses digital which goes to Science, Innovation and Technology but retains **culture, media and sport**.

The new Department for Energy Security and Net Zero, in particular demonstrates the Government's commitment to long-term energy supply and Net Zero, allowing two fundamentally important issues to be tied closer together with greater ministerial focus. It also suggests that the Government is taking on board recommendations from Chris Skidmore MP, who led the recent [Net Zero Review](#), which concluded that the current approach was insufficient.

The emergence of this Department mirrors the Labour Party's setup in some ways - Labour has separate Shadow Ministers for business and industrial strategy and climate change and Net Zero.

The new Department for Business and Trade will take the lead on previously BEIS briefs, notably the automotive, aerospace and services sectors, market frameworks and trade and opportunities. It has been long felt by many that business and trade under one department would allow for more joined up thinking so this shouldn't cause too much controversy.

The new Cabinet appointments are:

- **Grant Shapps** becomes Secretary of State for Energy Security and Net Zero (previously Secretary of State for Business, Energy & Industrial Strategy)
- **Kemi Badenoch** becomes Secretary of State for Business and Trade and retains her roles of President of the Board of Trade and Minister for Women and Equalities (previously Secretary of State for International Trade)
- **Lucy Frazer** as Secretary of State for Culture, Media and Sport (previously Minister of State for Housing)
- **Michelle Donelan** appointed Secretary of State for Science, Innovation and Technology (previously Secretary of State for Digital, Culture, Media and Sport)
- **Greg Hands** is promoted to Chairman of the Conservative Party (previously Minister of State for Trade Policy)

The following junior appointments have been confirmed, with the majority retaining the same or similar remits to their previous roles. Further appointments are expected in due course:

- **Graham Stuart** becomes Minister of State in the Department for Energy Security and Net Zero (previously Minister for Energy and Climate)
- **George Freeman** becomes Minister of State in the Department for Science, Innovation and Technology (previously Minister for Science, Research and Innovation)
- **Nigel Huddleston** is now Minister of State in the Department for Business and Trade (previously Parliamentary Under Secretary in the Department for International Trade and Government Whip)

- **Nusrat Ghani** as Minister in the Department for Business and Trade and the Cabinet Office (previously Minister for Industry and Investment Security)
- **Andrew Bowie** moves to be Parliamentary Under in the Department for Energy Security and Net Zero (previously Minister for Exports)
- **Paul Scully** becomes Parliamentary Under Secretary in the Department for Science, Innovation and Technology (previously Tech and Digital Economy Minister and Minister for London)
- **Kevin Hollinrake** as Parliamentary Under Secretary in the Department for Business and Trade (previously Minister for Enterprise, Markets and Small Business)
- **Stuart Andrew** becomes Parliamentary Under Secretary in the Department for Culture, Media and Sport and in the Department for Business and Trade (previously Minister for Sport, Tourism, Civil Society and Equalities)
- **Maria Caulfield** is Parliamentary Under Secretary in the Department for Business and Trade (previously Minister for Mental Health, Women's Health Strategy and Women)

Following the appointments, the Prime Minister tweeted:

"The government needs to reflect the priorities of the British people and be designed to deliver for them. These changes will focus teams on the issues that will build a better future for our children & grandchildren."

A number of Permanent Secretary moves have also been made, notably the Department for Levelling Up, Housing and Communities' Jeremy Pocklington moving to Energy Security and Net Zero. This has been well-received, with Climate Change Committee Chief Executive, Chris Stark saying he "knows the energy issues very well indeed."

Conservatives look towards the next GE

Mr Hands had been tipped as one of the favourites to take on the role of party chairman. He will play a crucial role in Conservative campaigning as we head towards a general election amidst terrible poll ratings for the party. As a London MP, Mr Hands will also have a fight on his hands in his constituency, where recent polling has suggested the party could be wiped out in the capital.

And added to the drama was the surprise appointment of straight-talking, controversial Red Wall MP Lee Anderson as Deputy Chairman. A move that many commentators say can only end in one way.

An unsurprising reaction

Shadow Climate and Net Zero Secretary, Ed Miliband [compared](#) it to "rearranging deckchairs on the sinking Titanic" and the Liberal Democrats [dubbed](#) it a £60 million reshuffle due to the costs of re-arranging government departments. The Shadow Business Secretary, Jonathan Reynolds attacked the decision to remove the Industrial Strategy from the Government's priority list, arguing that it "shows quite clearly that (the Prime Minister) has no plan to drive growth in our fantastic industries."

The housing sector will no doubt be disappointed that Ms Frazer's successor will be the 15th person to hold the position of Housing Minister since the Conservatives came to power in 2010 – and the fifth in the last eight months. Ms Frazer lasted just 91 days as Housing Minister.

But one thing stays the same

One change that hasn't happened is the sacking of Dominic Raab, who is under investigation for bullying. It is understood that the Prime Minister is awaiting the outcome of a report into these allegations before making a decision. As such, it is entirely possible that Mr Sunak will have to make further changes in the next few weeks.

Cavendish will provide further updates, including relevant bios and ministerial responsibilities in due course.