

October 2022



After being appointed Britain's third Prime Minister of 2022 yesterday morning, Rishi Sunak has now appointed his first Cabinet. Please find below a list of appointees as of 10:00 on 26 October.

As was expected, **Dominic Raab has been rewarded for his loyalty over the past few months and, in turn, becomes Deputy Prime Minister, Lord Chancellor, and Secretary of State for Justice.** A close ally of Sunak's since he introduced him at the launch of his first leadership campaign, Raab is seen as a gifted communicator, a safe pair of hands, and a trusted deputy. Indeed, his was the endorsement the Sunak campaign sought the most. As he now returns to the Ministry of Justice, he will likely do so with the hope of resurrecting the draft British Bill of Rights that he previously oversaw and that was scrapped by Liz Truss soon after her arrival in No 10.

As was trailed in the press, **Jeremy Hunt remains in No 11 as Chancellor of the Exchequer**. In his first address to the nation, Sunak said he would "place economic stability and confidence at the heart of this government's agenda", so it would have raised eyebrows if he had chosen to inflict further turbulence on HM Treasury by appointing a fifth Chancellor of 2022. A moderate Conservative, Hunt comes from the Cameron school of fiscal discipline, and it is this strain of Conservatism that is likely to prevail in the months and years ahead. With the "Medium-Term Fiscal Statement" now due on 17 November in the form of a more traditional Autumn Statement, Hunt's first major test is not far away. And with spending cuts and possible tax rises on the horizon, there are plenty of obstacles ahead.

Despite speculation that Sunak may follow through on his pledge earlier this year to split up the **Department for Business, Energy and Industrial Strategy, the department seems to be intact as one entity, with Grant Shapps as its new Secretary of State**. Another moderate Conservative, loyal Sunak supporter, and talented media performer, Shapps' principal task will be keeping Britain's lights on this winter. Though the government's energy support schemes are now in place, questions remain about what will happen to them after April 2023, and Shapps will have to work with the Chancellor to make sure the most vulnerable people and businesses remain supported. Although, there are likely to be tensions here between a Treasury determined to curb spending, and BEIS which will have its own priorities. Despite inheriting somewhat of a poisoned chalice given the challenges ahead this winter, Shapps will bring a more pragmatic approach to the job and, in particular, a more favourable approach to the net zero mission than Jacob Rees-Mogg. He will also be more open to engaging with MPs and industry.

Also of particular note, **Ben Wallace** remains as Secretary of State for Defence, which will reassure Ukraine that Sunak's Britain will continue to aid their fight against Russia; **Kemi Badenoch** remains as Secretary of State for International Trade but picks up the added brief of Minister for Women and Equalities; and **Michelle Donelan** remains as Secretary of State for Digital, Culture, Media and Sport. **Suella Braverman** returns to the Home Office less than a week after resigning following a breach of the ministerial code, however her appointment will be warmly welcomed by the right of the Conservative Party and may prove prudent to party management. Another return – despite his recent retirement from frontline politics – **Michael Gove** returns to the Department of Levelling Up, Housing and Communities to finish the job he started under Boris Johnson. **Thérèse Coffey** stays in the Cabinet but is demoted to Secretary of State for Environment, Food and Rural Affairs, whilst **Johnny Mercer** makes a comeback as Minister for Veterans' Affairs and **Sir Gavin Williamson** becomes a Minister Without Portfolio – a role in which he is expected to act as Sunak's "enforcer".

Minister of State, Parliamentary Under-Secretary of State, and Parliamentary Private Secretary positions will be announced over the coming days.

## FTI Consulting Analysis

On paper, the first Sunak Cabinet is designed to unite a party perilously close to a severe rupture. From Jeremy Hunt to Grant Shapps, the moderate wing of the Conservative Party is represented. From Suella Braverman to Kemi Badenoch, the right of the Conservative Party is represented. And from James Cleverly to Chris Heaton-Harris, the Boris loyalists are represented.

However, whilst it may well be a broadly unifying Cabinet on paper, that does not mean Conservative MPs will break out of their habits of a lifetime. The party has just gone through a deeply divisive period, suffering sleaze and scandal under Boris Johnson and chaos and catastrophe under Liz Truss. Whilst Sunak is right that they need



to "unite or die", the former will prove more difficult in practice. Anticipating potential party management issues, it is notable that the Prime Minister has chosen to fill his Cabinet with former whips and those who can count votes – from Gavin Williamson to Mark Harper, from Chris Heaton-Harris to Grant Shapps.

Ideologically, Sunak's Cabinet is not as sharply defined as his predecessor's. At least for the foreseeable future, it can be seen through a more Cameron-era lens of balancing the books, demonstrating competence in the job, and a common-sense approach to policy. However, that is not to say Sunak isn't ideological at heart. Indeed, he would normally be seen as an MP sitting very much towards the right of his party.

The new Prime Minister is a free marketeer who believes in lower taxes, nimble regulation, and more liberalised trade – though he prioritises the need for fiscal discipline and responsible finances first. Socially, he is a firm Brexiteer and a supporter of the Rwanda policy – though he wants to see such ideas implemented properly, not just cited in rhetoric. As such, in many ways Sunak can be seen as neither a Red Wall leader nor a Blue Wall leader. Almost a blend of David Cameron *and* Boris Johnson, the Prime Minister has chosen to weave and lean into both modern strands of Conservative thinking.

Looking ahead, Sunak will have to rely on his colleagues to come together, pray for no more nasty surprises on the economic front, and try his utmost to reinvent the image of a political party amid a tide of public exasperation. The challenges are immense and the risks are almost endless, though he will be encouraged by the gilt markets moving in the right direction yesterday, potentially gifting him and his Chancellor more room in the upcoming Autumn Statement.

Ultimately, whilst he rightly warned his party of the consequences of not uniting, the Prime Minister is well aware that in the end *he* has the job of delivering on the promises of the 2019 manifesto, or else he will lead his party to electoral defeat in two years' time. That said, Sunak is diametrically opposed to Boris Johnson in style, he warned against everything Liz Truss did and was vindicated, and many believe that the polling of recent months indicated anti-Johnson and anti-Truss sentiments more than it signalled enthusiasm for Sir Keir Starmer.

Whilst difficult days certainly lie ahead, the Prime Minister will be hoping for a mixture of good luck, the benefit of the doubt, and a nation willing to look at his government afresh.



| The Sunak Cabinet – as of 10:00 on 26 October 2022  |                                    |
|---|------------------------------------|
| Prime Minister  | Rt Hon Rishi Sunak MP              |
| Deputy Prime Minister, Lord Chancellor, and Secretary of State for Justice  | Rt Hon Dominic Raab MP             |
| Chancellor of the Exchequer   | Rt Hon Jeremy Hunt MP              |
| Secretary of State for Foreign, Commonwealth and Development Affairs  | Rt Hon James Cleverly MP           |
| Secretary of State for the Home Department  | Rt Hon Suella Braverman KC MP      |
| Secretary of State for Defence  | Rt Hon Ben Wallace MP              |
| Secretary of State for Health and Social Care   | Rt Hon Steve Barclay MP            |
| Chancellor of the Duchy of Lancaster  | Rt Hon Oliver Dowden MP            |
| Secretary of State for Business, Energy and Industrial Strategy   | Rt Hon Grant Shapps MP             |
| Secretary of State for Levelling Up, Housing and Communities, and<br>Minister for Intergovernmental Relations         | Rt Hon Michael Gove MP             |
| Secretary of State for International Trade, President of the Board of<br>Trade, and Minister for Women and Equalities | Rt Hon Kemi Badenoch MP            |
| Secretary of State for Work and Pensions  | Rt Hon Mel Stride MP               |
| Secretary of State for Education  | Gillian Keegan MP                  |
| Secretary of State for Environment, Food and Rural Affairs  | Rt Hon Dr Thérèse Coffey MP        |
| Secretary of State for Digital, Culture, Media and Sport  | Rt Hon Michelle Donelan MP         |
| Secretary of State for Transport  | Rt Hon Mark Harper MP              |
| Secretary of State for Northern Ireland   | Rt Hon Chris Heaton-Harris MP      |
| Secretary of State for Scotland   | Rt Hon Alister Jack MP             |
| Secretary of State for Wales  | David TC Davies MP                 |
| Lord President of the Council and Leader of the House of Commons  | Rt Hon Penny Mordaunt MP           |
| Lord Privy Seal and Leader of the House of Lords  | The Lord True CBE                  |
| Attorney General  | Victoria Prentis MP                |
| Chief Secretary to the Treasury   | John Glen MP                       |
| Paymaster General and Minister for the Cabinet Office   | Jeremy Quin MP                     |
| Minister of State (Minister for Development) in the Foreign,<br>Commonwealth and Development Office                   | Rt Hon Andrew Mitchell MP          |
| Minister of State (Minister for Security) in the Home Office  | Rt Hon Tom Tugendhat MBE MP        |
| Minister of State (Minister for Immigration) in the Home Office   | Rt Hon Robert Jenrick MP           |
| Minister of State (Minister for Veterans' Affairs) in the Cabinet Office  | Rt Hon Johnny Mercer MP            |
| Minister of State (Minister Without Portfolio) in the Cabinet Office  | Rt Hon Sir Gavin Williamson CBE MP |
| Minister Without Portfolio (Chairman of the Conservative Party)   | Rt Hon Nadhim Zahawi MP            |
| Parliamentary Secretary to the Treasury (Chief Whip)  | Rt Hon Simon Hart MP               |

