

### OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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# BUSINESS APPOINTMENT APPLICATION: Thomas Hurd, Independent Consultancy.

- Mr Hurd sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former Crown servants (the Rules) on his proposal to establish an independent consultancy. The material information taken into consideration by the Committee is set out in the Annex.
- 2. The purpose of the Rules is to protect the integrity of the government. Under the Rules, the Committee's remit is to consider the risks associated with the actions and decisions made during Mr Hurd's time in office, alongside the information and influence he may offer his consultancy and its future clients.
- 3. The Rules set out that Crown servants must abide by the Committee's advice<sup>1</sup>. It is an applicant's personal responsibility to manage the propriety of any appointment. Former Crown servants are expected to uphold the highest standards of propriety and act in accordance with the 7 Principles of Public Life.

## The Committee's Consideration

## Consultancy

1. When considering Mr Hurd's application to set up an independent consultancy, the Committee<sup>2</sup> took into account that he proposes to set up a consultancy in a broadly defined area, drawing on generic skills and experience. The Committee considered that, generally, this poses no particular risks of impropriety under the government's Business Appointment Rules. However, the Committee observed that the risks under the Rules can only be adequately considered and

<sup>&</sup>lt;sup>1</sup> Which apply by virtue of the Civil Service Management Code, The Code of Conduct for Special Advisers, The Queen's Regulations and the Diplomatic Service Code

<sup>&</sup>lt;sup>2</sup> This application for advice was considered by Jonathan Baume; Andrew Cumpsty; Sarah de Gay; Isabel Kiddy; The Rt Hon Lord Pickles; Richard Thomas; Mike Weir; Lord Larry Whitty and Dr Susan Liautaud.

- assessed in relation to the individual commissions he goes on to take up under the consultancy. Nevertheless, the Committee considered there are some general areas of potential conflict it is possible to mitigate.
- 2. The Committee recognises it would not be improper for Mr Hurd to operate a consultancy which draws on generic skills and experience he gained from his time in government. However, there are risks that arise under the government's Business Appointment Rules, from work that will likely be related to his time in office. As Director General of the Office for Security and Counter-Terrorism (OCST) Mr Hurd was responsible for the UK's response to Counter-Terrorism and elements of Homeland Security. Given his consultancy will offer risk management advice, it could be perceived Mr Hurd has access to sensitive information that may provide his clients with an unfair advantage. However, he has an ongoing duty of confidentiality which is reflected in this advice.
- 3. There are also inherent risks attached to his network of contacts across the government. The conditions below include a two-year ban on lobbying the UK government and a restriction on providing advice relating to the work of the UK government, to mitigate the potential for unfair advantage to his clients if they apply for contracts or funding from the government.
- 4. The Committee further recognised as the former Director General of the OSCT, there is a risk associated with his influence and contacts within organisations and companies operating in this sector. Therefore the Committee would draw Mr Hurd's attention to the below restriction that makes it clear he should not use contacts he has developed in organisations or private companies for the purpose of securing business.

## **Future commissions**

- 5. Whether the conditions set out below can sufficiently mitigate the risks presented by any future commission he proposes to take up will depend on the specific details of each piece of work. It is the Committee's experience that applications where there is a connection between the former Crown servant's responsibilities in government and the area they are looking to work in outside government, are more likely to give rise to risks under the Rules. The Committee will consider such risks on a case by case basis. As is usual in such cases, Mr Hurd will need to seek advice from the Committee for each commission he wishes to accept.
- 6. The Committee also advises that when seeking work and/or commissions, he should adhere to the conditions below.
- 7. The Prime Minister has accepted the Committee's advice, under the Government's Business Appointment Rules, that this appointment, to set up an **Independent Consultancy**, should be subject to the following conditions:
  - he should not draw on (disclose or use for the benefit of himself or the persons or organisations to which this advice refers) any privileged information available to him from his time in Crown service;

- for two years from his last day in Crown service, he should not become personally involved in lobbying the UK government on behalf of those he advises under his independent consultancy (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage those he advises under his independent consultancy (including parent companies, subsidiaries, partners and clients);
- for two years from his last day in ministerial office, he should not become personally involved in lobbying contacts he has developed during his time in office and in other governments and organisations for the purpose of securing business for any company or organisation (including parent companies, subsidiaries and partners);
- for two years from his last day in Crown service he should not provide advice to any company or organisation on the terms of, or with regard to the subject matter of, a bid or contract with, or relating directly to the work of the UK government; and
- for two years from his last day in Crown service, before accepting any commissions for his independent consultancy and or/before extending or otherwise changing the nature of his commissions, he should seek advice from the Committee. The Committee will decide whether each commission is consistent with the terms of the consultancy and consider any relevant factors under the Business Appointment Rules.
- 8. By 'privileged information' we mean official information to which a Minister or Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available. Applicants are also reminded that they may be subject to other duties of confidentiality, whether under the Official Secrets Act, the Civil Service Code or otherwise.
- 9. The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister "should not engage in communication with Government (Ministers, civil servants, including special advisers, and other relevant officials/public office holders) wherever it takes place with a view to influencing a Government decision, policy or contract award/grant in relation to their own interests or the interests of the organisation by which they are employed, or to whom they are contracted or with which they hold office."
- 10. I should be grateful if you would inform us as soon as Mr Hurd takes up employment with this organisation, or if it is announced that he will do so. We shall otherwise not be able to deal with any enquiries, since we do not release information about appointments that have not been taken up or announced. This could lead to a false assumption being made about whether he has complied with the Rules.

- 11. Please also inform us if Mr Hurd proposes to extend or otherwise change the nature of his consultancy as, depending on the circumstances, it may be necessary for him to make a fresh application.
- 12. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

Yours Sincerely,

Sophie Weymes-McElderry Committee Secretariat

### Annex - Material information

- 1. Mr Hurd sought the Committee's advice on establishing an independent consultancy. Mr Hurd said it would support 'private companies in their approach to risk management and analysis, in particular how to derive insight from data and act on it'.
- 2. The Home Office provided its views on this application. It said that it did not have any areas of concern, and said it did not consider Mr Hurd had involvement in government policy, funding decisions, or have access to relevant information which might provide him with an unfair advantage. The department recommended the Committee apply the standard conditions, including requirement to submit fresh applications for advice with details of any new offers of employment or commissions for his consultancy, in order to mitigate any perceived risks associated with this appointment for a period of two years following his departure from Crown service.