



**OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS**

G/7 Ground Floor, 1 Horse Guards Road SW1A 2HQ

Telephone: 020 7271 0839

Email: [acoba@acoba.gov.uk](mailto:acoba@acoba.gov.uk)

Website: <http://www.gov.uk/acoba>

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**BUSINESS APPOINTMENT APPLICATION: General Sir Nick Carter GCB CBE DSO ADC Gen, former Chief of the Defence Staff at the Ministry of Defence. Paid appointment with Schroders plc.**

1. Gen Sir Nick 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 an appointment he wishes to take up with Schroders plc as a Strategic Adviser. 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 Gen Sir Nick's time in office, alongside the information and influence a former Crown servant may offer Schroders plc.
3. The Committee has advised that a number of conditions be imposed to mitigate the potential risks to the government associated with this appointment under the Rules; this does not imply the Committee has taken a view on the appropriateness of this appointment for a former Crown servant in any other respect.
4. The Rules<sup>1</sup> set out that Crown servants must abide by the Committee's advice. 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 of the risk presented

5. The Committee<sup>2</sup> noted there is no relationship between Schroders plc and the Ministry of Defence (MOD). Gen Sir Nick did not meet with Schroders plc whilst in government, nor did he make any decisions specific to the company. The Committee therefore considered the risk this appointment could reasonably be perceived as a reward for

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<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>2</sup> This application for advice was considered by Jonathan Baume; Isabel Doverty; Sarah de Gay; Dr Susan Liataud; The Rt Hon Lord Pickles, Richard Thomas and Mike Weir. Andrew Cumptsy and Lord Larry Whitty were unavailable.

decisions or actions taken in office is low.

6. Though Schroders plc is not a defence company, it invests in matters which may overlap with or be affected by this sector. The Committee noted there are a number of mitigating factors that help to reduce the risks associated with Gen Sir Nick's access to information and insight that may be seen to offer Schroders plc an unfair advantage:
  - This risk is broad and generic in nature as the proposed role does not overlap with his responsibilities in office. The MOD is not aware of any specific information that would be of use to Schroders plc and the focus of this work.
  - MOD confirmed Gen Sir Nick has not had access to information or any MOD work since he left post in November 2021. The 7 months that have passed since he last had access to privileged information reduces the risks associated. Further, As Chief of the Defence Staff he is subject to a waiting period of three months from his last day in Crown service.
  - He is also prevented from drawing on privileged information from his time in office and has an ongoing duty of confidentiality.
7. The Committee agreed with the MOD that, as Chief of the Defence Staff, Gen Sir Nick will have gained contacts in the UK and internationally - within other governments and private companies, particularly in the defence sector. The Committee noted MOD's assessment that he may have knowledge of potential investment opportunities within the UK defence sector. As such there is a risk his network and influence might be used to the unfair advantage of Schroders plc.
8. Further, that there is a risk should he advise on matters directly related to his responsibilities in office - a risk which arises given he will be advising Schroders plc's clients, which are unknown.

#### The Committee's advice

9. The Committee determined the risks identified in this application can be appropriately mitigated by the conditions below. These make it clear Gen Sir Nick cannot make use of his access to privileged information or influence gained from his time in Crown service to the unfair advantage of Schroders plc and its clients. In particular, alongside the usual conditions, the Committee imposed restrictions on the work to prevent Gen Sir Nick from: advising on policy or operational matters he had specific involvement in or responsibility for during his time at the MOD; advising Schroders plc on the UK defence sector; and lobbying contacts he made in other governments and organisations outside of the MOD and UK government.
10. The Committee advises under the government's Business Appointment Rules that Gen Sir Nick's appointment with Schroders plc be subject to the following conditions:
  - a waiting period of three months from his last day in Crown service;
  - 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 or any of its arm's length bodies on behalf of Schroders plc (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Schroders plc (including

parent companies, subsidiaries, partners and clients);

- for two years from his last day in Crown service, he should not provide advice to Schroders plc (including parent companies, subsidiaries, partners and clients) 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, the Ministry of Defence or its trading funds;
- for two years from his last day in Crown service, he should not become personally involved in lobbying contacts he has developed during his time in office in external organisations (including other governments) for the purpose of securing business for Schroders plc (including parent companies, subsidiaries and partners);
- for two years from his last day in Crown service, he should not advise Schroders plc or its clients on the UK defence sector; and
- for two years from his last day in Crown service, he should not advise Schroders plc (including parent companies, subsidiaries, partners and clients) on work with regard to any policy or operational matter he had specific involvement in or responsibility for as Chief of the Defence Staff at the Ministry of Defence, or where he had a relationship with the company or organisation during his time at the Ministry of Defence.

11. The advice and the conditions under the government's Business Appointment Rules relate to Gen Sir Nick's previous roles in government only; they are separate to rules administered by other bodies such as the Office of the Registrar of Consultant Lobbyists or the Parliamentary Commissioner for Standards. It is an applicant's personal responsibility to understand any other rules and regulations they may be subject to in parallel with this Committee's advice.
12. 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.
13. 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*'.
14. You must inform us as soon as Gen Sir Nick takes up employment with this organisation, or if it is announced that he will do so, by emailing the office at the above address. 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 Gen Sir Nick has complied with the Rules.
15. Please also inform us if he proposes to extend or otherwise change the nature of his role as, depending on the circumstances, it may be necessary for him to make a fresh application.

16. 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,

William Young  
**Committee Secretariat**

## **Annex - Material information**

### The role

1. Gen Sir Nick said he has been offered a paid, part-time appointment with Schroders plc as a Strategic Adviser.
2. In this role Gen Sir Nick said he would assist Schroders plc in developing its business, managing risk and realising its strategic objectives, as well as advising its clients. He said he would also act as an internal leadership and management consultant to help Schroders plc maximise the talent of its workforce. Gen Sir Nick said this would be a non-executive role.

### Dealings in office

3. Gen Sir Nick advised the Committee he did not meet with Schroders plc whilst in office. He said he did not have involvement in any policy development or decisions that would have been specific to the company, and held no commercial or contractual responsibilities relating to it. He said he did not meet with competitors of the company, nor did he have access to sensitive information regarding these competitors.

### Department Assessment

4. The MOD confirmed the details Gen Sir Nick provided.
5. The MOD said Gen Sir Nick had no official contact with Schroders plc whilst a serving officer, and '*...therefore this appointment could not be perceived as a reward*' and confirmed it had no official relationship with the company.
6. The MOD said Gen Sir Nick will have '*...developed awareness of the landscape of the holdings of UK and overseas investment companies, such as Schroders, in UK and overseas and defence industry, and their exposure in these areas*'. However, '*...he will not have been privy to information regarding their overall commercial interests or health*'. The MOD therefore said the risk this appointment could be perceived to give Schroders plc an unfair advantage over its competitors is low.
7. MOD said Gen Sir Nick will have developed an extensive network of potential clients for Schroders plc, both in the UK and overseas, with an in-depth knowledge of potential investment opportunities in the defence industry. The department said the conditions on this appointment should therefore dictate that he should not '*...approach contacts developed during Crown service in the UK and overseas, for the purpose of seeking*

*to win business for Schroders, or to give advice on potential investment opportunities in the UK or overseas defence market'. The department said 'This will mitigate the risk of perception of undue advantage to Schroders by access to his network of contacts in the UK and overseas developed while a Crown servant'.*

8. MOD recommended Gen Sir Nick should not:
  - use UK or international contacts developed during Crown Service to win business for Schroders plc; or
  - call on his network of UK or international contacts developed during Crown Service to assist in the delivery of Schroders plc's business.
9. MOD said this, alongside the standard conditions, would '*...mitigate the risk of perception of undue profit to Gen Sir Nick's proposed employer, by use of his contacts in the UK and overseas developed during Crown Service*'.