From the Chair



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

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

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon George Eustice MP, former Secretary of State for the Department of Environment, Food and Rural Affairs (Defra), application to establish an independent consultancy.

- 1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for Former Ministers (the Rules) to establish an independent consultancy- seeking to work with clients in the agri-tech, agri-food, waste management and water sectors. 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 you made during your time in office, alongside the information and influence you may offer your potential clients.
- 3. The Committee considered whether setting up this consultancy was unsuitable given that it has a focus on the agri-tech, agri-food, waste management and water sectors, overlapping with your work in office. The Committee also considered the information provided by Defra about his specific dealings in the sectors.
- 4. 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. The Committee's advice is not an endorsement of this application in any other respect.
- 5. The Ministerial Code sets out that ministers must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of

any appointment. Former ministers of the Crown, and Members of Parliament, 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

- 6. You propose to set up a consultancy focused on providing 'strategic counsel to businesses and private equity or venture capital investors involved in the agritech, agri-food, waste management and water sectors.'
- 7. It would not be improper for you to operate a consultancy which draws on generic skills and experience you gained from your time as a minister and previous experience in the agri-food industry, water and waste sectors. The potential risks are hard to quantify given the broad and wide ranging nature of the consultancy and that clients are unknown. As Secretary of State for the Environment, Food and Rural Affairs at Defra, you will have had oversight of a wide range of information, policy, and made decisions that may provide an unfair advantage to a broad range of organisations. The Committee¹ considered there is a significant risk that your clients, particularly those in the agri-food industry, water and waste sectors, may be considered to gain from your privileged insight and decisions made in office that are unavailable to its competitors.
- 8. The Committee agreed with the department that the risks associated with your access to information and decisions made in office are limited given the mitigating factors outlined below:
 - you have been out of office for almost 11 months
 - changes in government administrations (two new Prime Ministers have been appointed, a new Cabinet formed in September and October, including two new Secretary of State of Defra)
 - Matters you were involved in have largely been altered by your successors or relate to decisions and policies that are already in the public domain.
- 9. The Committee considered it significant that you are continuing your career in the agri-food industry, water and waste sectors. You told the Committee you possess detailed technical knowledge in the above sectors prior to joining government. Despite these mitigating factors, there remain risks around your

¹ This application for advice was considered by: Andrew Cumpsty; The Rt Hon Lord Pickles; Mike Weir; Richard Thomas; and The Baroness Jones of Whitchurch. Sarah de Gay, Jonathan Baume and Isabel Doverty were unavailable.

privileged insight and influence could be seen to offer an unfair advantage to future clients.

- 10. Given your role as the minister responsible for the UK's policy in the areas you wish to work in, there are also inherent risks that you could offer your clients unfair access to government, or make use of contacts you gained in office but outside government to gain business for your consultancy.
- 11. The government's Rules state that as a former Secretary of State and Cabinet Minister you are subject to a minimum waiting period of three months. The Committee considered this consultancy should not be made subject to a longer waiting period to put a gap between your time in office and offering advice so closely related to his role in office. The Committee considered that 11 months which have now passed is a sufficient gap. Alongside this gap, the broad risks associated with the work you may take up with clients in the future can be mitigated through conditions which prevent you from: drawing on privileged information; lobbying the UK government; making improper use of contacts gained in government service; and working on bids and contacts with the UK government. The Committee notes your description of the proposed work includes having no direct contact with ministers and officials. The Committee would take this opportunity to remind you that facilitating indirect contact to influence government decisions on behalf of your consulting/clients would be inappropriate given the lobbying ban below (which applies to all former ministers for two years on leaving office).
- 12. This advice provides you consent only to set up a consultancy, subject to a number of conditions. It does not give you consent in relation to any possible future clients. You must seek advice in relation to each client, so that risks can be assessed and it will need to be demonstrated by you and Defra that the work would be appropriate under the Rules.

Future Commissions

- 13. You must seek advice from the Committee for each commission you wish to accept. Whether the conditions set out below can sufficiently mitigate the risk presented by any future commission you propose to take up will depend on the specific details of each piece of work. Any failure to seek advice before accepting work would be a breach of the Rules and treated as such including reporting breaching to government.
- 14. The risks under the Rules will be most significant where you seek to provide advice on matters where you made decisions or had access to sensitive information in office- these applications will need close scrutiny. The Committee will want to carefully consider the suitability of this work, and may advise that a

further waiting period is required. Where conditions and a suitable waiting period cannot appropriately mitigate the risks, the Committee may advise the work is unsuitable² to take up within the two years the Rules apply. The Committee will consider such risks on a case by case basis.

- 15. All potential clients must be notified of this advice, and when seeking work/new clients, you must adhere to the conditions below. Under the Government's Business Appointment Rules, the Committee advises that this **Independent Consultancy**, should be subject to the conditions set out below:
- you should not draw on (disclose or use for the benefit of yourself or the persons or organisations to which this advice refers) any privileged information available to you from your time in ministerial office;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of those you advise under your independent consultancy (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the government and/or Crown service contacts to influence policy, secure business/funding or otherwise unfairly advantage those you advise under your independent consultancy (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office, you should not provide advice to on behalf of those you advise under your independent consultancy (including parent companies, subsidiaries, partners and clients) on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the UK government or any of its arm's length bodies;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying contacts you developed during your time in office and in other governments and organisations for the purpose of securing business for your independent consultancy; and
- for two years from your last day in ministerial office, before accepting any commissions for your independent consultancy and or/before extending or otherwise changing the nature of your commissions, you 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.
- 16. The advice and the conditions under the government's Business Appointment Rules relate to an individual's previous role 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

² Should an applicant subsequently take up or announce this work, ACOBA will publish relevant information.

Standards. It is an individual's responsibility to understand any other rules and regulations they may be subject to in parallel with this Committee's advice.

- 17. 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.
- 18. 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."
- 19. You must inform us as soon as your company is live or is announced. You must also inform us if you propose to extend or otherwise change the nature of your consultancy as, depending on the circumstances, it may be necessary for you to make a fresh application.
- 20. 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.

The Rt Hon Lord Pickles

Independent consultancy

- 1. You said your consultancy will focus on:
 - offering time limited, project advice to private equity shareholders with investments or potential investments in the sectors of- agri-tech, agrifood, waste management and water sectors. The consultancy will seek to provide clients within the above sectors with a greater understanding of risks and potential of the businesses they are investing in.
 - supporting and developing understanding between the shareholder and founders or executives in a company to provide mutual confidence.
 - offering strategic advice on policy affecting environmental sectors such as agri-food, waste, water and biodiversity.
 - offering strategic advice to clients on developing their business model and on implementing or complying with regulatory frameworks.
- 2. You said you would explicitly not take on work which involves making direct representations on behalf of clients in respect of DEFRA ministers, officials, agencies or Defra Arm's Length Bodies.
- 3. You wrote to the Committee regarding your detailed knowledge and experience gained in the above sectors prior to joining government. You said:

'Before I entered politics I spent a decade working in the agri-food industry, I studied Commercial Horticulture at College and then worked in sectors including food retail, livestock production, soft fruit production and field scale vegetable production. The agri-food industry was therefore very much my chosen career path before I considered getting involved in politics.

In addition, before becoming a Minister at the end of 2013, I spent three years as a member of the EFRA Select Committee in Parliament. I chose to join the EGRA Select Committee because I felt that the technical knowledge I had from my earlier career meant I could add value to the committee. Through my work on the EFRA Select Committee, I developed further knowledge of the water and waste sectors to complement the knowledge I already possessed in the agri-food sector prior to becoming an MP. I therefore developed much of my technical knowledge prior to joining the government. '

Department assessment

- 4. The department said while you were Secretary of State of Defra, a very large number of decisions were taken on a range of policy areas including agri-food, agri-tech, waste management and water sectors. It confirmed that these decisions have now been superseded by your successors and or decisions taken are now in the public domain.
- 5. The department recommended standard conditions.