



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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Chief Executive's Office
HM Revenue and Customs

21 January 2013

Dear Ms. Howe,

BUSINESS APPOINTMENT APPLICATION: DAVE HARTNETT

The Committee has been asked to consider an application from Dave Hartnett, the former Permanent Secretary for Tax at HMRC, who is seeking permission to accept a part-time appointment with HSBC Holdings plc, as one of a number of subject matter experts on its Board Committee on Financial System Vulnerabilities, following his retirement from Crown service on 31 July 2012.

The Committee noted that, whilst working in Government, Mr Hartnett had official dealings with HSBC over a number of years, but that these contacts were no more significant than the contacts he had with other banks operating in the UK. Furthermore, it noted that the appointment will not involve any consideration of UK tax liabilities or affairs (or any involvement with HMRC); the Board Committee's remit is aimed at preventing financial crime and other abuses of the financial system; and that Mr Hartnett would not have a role in the day-to-day management of HSBC's affairs - he would not be an executive or non-executive director of the bank.

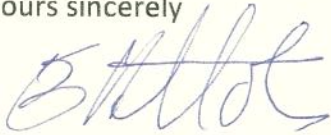
It also noted that he has already served the three-month waiting period which is required of former Permanent Secretaries.

The Prime Minister has accepted the Committee's recommendation that his application be approved subject to the condition that, for two years from his last day of service, he should not become personally involved in lobbying Government on behalf of his new employer. The Business Appointment Rules define lobbying in the following way: "Lobbying in this context means that the former civil servant should not engage in communication with Government - including Ministers, special advisers and officials - with a view to influencing a Government decision or policy in relation to their own interests, or the interests of the organisation by which they are employed, or to whom they are contracted".

I should also be grateful if you could ensure that we are informed as soon as Mr Hartnett takes up the employment with HSBC, or if it is announced that he will do so (I enclose a form for this purpose). We shall otherwise not be able to deal with any enquiries, since we do not release information about appointments which have not been taken up or announced, and this could lead to a false assumption being made about whether he had complied with the rules.

Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website and include the main details of the application, together with the Advisory Committee's advice, in the regularly updated consolidated list on our website and in the next annual report.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ekpe Attah', written over a horizontal line.

Ekpe Attah
Committee Secretariat