



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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You asked for the Committee's advice about accepting a part-time appointment as a Non-Executive Director of Jardine Lloyd Thompson Group PLC (JLT). I should point out, at the outset, that due to individual interests, both Lord Lang and Sir Hugh Stevenson have recused themselves from the consideration of your application.

The Committee took into account that you had official dealings with your prospective employer within your last two years in office in that executives of JLT may have been present at events in which you participated as a Minister. Whilst you had a broad role to consider City competitiveness and general pro-growth policies, neither this nor your role as Treasury spokesperson in the Lords involved any specific consideration of issues particular to JLT, as far as you are aware. Furthermore, whilst JLT had a creative role in the development of the NewBuy Government backed mortgage indemnity scheme (launched by the Department for Communities and Local Government in March 2012) and whilst it administers the scheme for the Home Builder Federation and Council of Mortgage Lenders, you were not involved in the project.

The Committee took into account that you had official dealings with competitors of your prospective employer in that you attended events and had discussions with one competitor about the possible re-domicile of their business in London. The Committee noted that you did not have access to commercially sensitive information from these dealings. The Committee also noted that there will be no requirement to lobby Government in your proposed role.

Notwithstanding this, the Committee felt that, since JLT operates within the UK and has had some meaningful dealings with Government (as set out above) a waiting period between your leaving office and taking up the appointment would be appropriate. However, noting that you do not propose to take up the appointment until 30 April 2013 (by which time the three month waiting period that the Committee would have been minded to impose will have expired), our advice is that we see no reason why you should not take up the

appointment, subject to the following conditions:

- that you should not draw on any privileged information available to you as a Minister;
- for 12 months from the same date, you should not provide advice to your new employer, or any clients, on the terms of any bid or contract directly relating to HM Treasury; and
- for two years from the same date, you should not become personally involved in lobbying the UK Government on behalf of your new employer or its clients.

It might be helpful if I add that lobbying is defined in the Business Appointment Rules in the following way: "Lobbying in this context means that the former Minister 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 be grateful if you would inform us as soon as you take up the appointment, or if it is announced that you will do so, either by returning the enclosed form or 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 which have not been taken up or announced. This could lead to a false assumption being made about whether you had complied with the Ministerial Code. Similarly, I should be grateful if you would inform us if you propose to extend or otherwise change your role with Jardine Lloyd Thompson Group PLC as, depending on the circumstances, it may be necessary for you to seek fresh advice.

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.

Lord Macdonald of Tradeston

The Rt. Hon The Lord Sassoon