



## OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/8, 1 Horse Guards Road, London, 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: SIR JOHN KINGMAN**

The Committee has been asked to consider an application from Sir John Kingman, former Second Permanent Secretary, HM Treasury. He would like to take up a new role as Chairman of Legal & General.

When considering this application, the Committee noted that during his time at HMT Sir John had occasional, although not frequent, dealings with Legal & General, including participation in very occasional gatherings of senior insurance executives organised by the Association of British Insurers. However, the main relationship with HMT had been managed elsewhere in the department and Sir John's contact with Legal & General had been as an important infrastructure investor, rather than on issues affecting its core insurance and asset management business.

The Committee also noted that Sir John had some involvement in policy that will have affected Legal & General. However, they took into account the comments of Cabinet Office and HMT that he played no direct role in most policies that affected the company, which were carried out by other teams in the department, and that the policies he was directly involved in were strongly pro-consumer.

The Committee noted that Sir John had limited contact with Legal & General's competitors, primarily through general industry discussions, and therefore no access, either formally or informally, to any competitively sensitive information about his new employer or its competitors.

HMT also contacted competitors of Legal & General about this prospective appointment, none of whom raised any concerns about it.

The Committee took into account the particular circumstances in this case, including the fact that Sir John had agreed, in the public interest, to stay on at HMT as acting Permanent Secretary to prevent there being a gap at a critical time. They noted that as soon as he was approached about the role with Legal & General role he declared it to his department, and arrangements were put in place to ensure he stood aside from any related issues.

The Committee felt that a gap of six months from any relevant work was appropriate. Taking into account the public interest in him staying on as acting Permanent Secretary at HMT, the Committee was content for the waiting period to run from the date he was first approached about

the role and stood aside from all relevant issues. This would mean that he should not take up the post until 22 October 2016.

The Prime Minister accepted the Committee's advice that there was no reason why Sir John should not take up this position, subject to the following conditions:

- He should not take up this post until 22 October 2016;
- He should not draw on (disclose or use for the benefit of himself or the organisation to which this advice refers) privileged information available to him from his time in Crown service; and
- For two years from his last day in service, Sir John should not become personally involved in lobbying the UK Government on behalf of Legal & General or its clients, or make use, directly or indirectly, of his contacts in Government and/or Crown service to influence policy or secure business on behalf of Legal & General (to avoid any perception of improper influence on Sir John's part, this should include him recusing himself from attending the Chancellor of the Exchequer's meetings with the Chairs of the major insurance companies during this period).

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.

The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister "should not engage in communication with Government - including Ministers, special advisers and officials - with a view to influencing a Government decision or policy [including applications for awards or grants] in relation to their own interests, or the interests of the organisation by which they are employed, or to whom they are contracted".

I would be grateful if you could ensure that we are informed as soon as Sir John takes up this position, 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.

I should also be grateful if you would ask that Sir John informs 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.

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

Catherine Millington  
Committee Secretariat