



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: ROBERT HANNIGAN

The Committee has been asked to consider an application from Robert Hannigan, former Director, GCHQ, who proposes to establish an independent consultancy and accept commissions with 3 companies. Mr Hannigan's last day in the Civil Service was 30 April 2017.

Independent consultancy and commissions

Mr Hannigan describes his consultancy as providing strategic advice on risk, primarily, but not exclusively, in the context of cyber security. He is clear that this will not involve representing the interests of clients to Government.

Mr Hannigan wishes to accept the following commissions:

- 1) BlueteamGlobal (a new US cyber security company). He would become Head of the European Advisory Board. He has said that this is a paid role and that the company will not sell services to Governments.
- 2) Immersive Labs Ltd (a new, small UK start-up offering cyber skills assessment and training for organisations). He said he would join the Advisory Board and help to shape their skills offer. This is an unpaid role.
- 3) Hiscox Insurance Ltd. This will involve 'thought leadership' on cyber insurance and is a paid role.

Mr Hannigan has declared that he had no official dealings with the above companies, contractual or otherwise over his last 2 years of service, or access to commercially sensitive information about any competitors. He had involvement in cyber security while in post but not in any particular sector or industry. He had no involvement in selling cyber insurance or in the insurance sector.

Mr Hannigan also considered it relevant that GCHQ does not have a regulatory role on cyber.

The Cabinet Secretary and the Director General, Capability, at GCHQ have considered this application and have no reservations about Mr Hannigan's application. Their view is that the proposed consultancy is a reasonable use of Mr Hannigan's generic experience and insight.

The Committee's consideration

BlueteamGlobal

The Committee noted that BlueteamGlobal announced the launch of its operations by press release on 3 August 2017. The press release also referred to senior leaders from the private sector and national security agencies that have been recruited to the company, including Mr Hannigan's appointment as head of the company's European Advisory Board.

The Committee would like to register its concern that Mr Hannigan's appointment with BlueteamGlobal was announced before the Committee had the opportunity to provide its advice.

The Government's Business Appointment Rules for former Crown servants specify that retrospective applications will not normally be accepted. To fulfil the remit given to it by Government, the Committee needs to be able to consider an application fully and freely before offering its advice. It is impossible to do this in a way that will command public confidence if an appointment has already been announced and/or taken up. The Committee is therefore unwilling to give retrospective advice for this appointment.

Independent Consultancy and proposed commissions with Immersive Labs Ltd and Hiscox Insurance Ltd

The Committee observed that Mr Hannigan would be using his general experience and insight on cyber security developed while in Government by providing advice through his consultancy.

It considered the risk of a public perception that Mr Hannigan could unfairly advantage his clients by virtue of the information he holds or the contacts he has in Government and concluded that this is low for the following reasons:

- he had no access to commercial information about competitors while in post;
- the Department noted that commercial and cyber policy aims are rapidly evolving and have a limited shelf life;
- he had involvement in cyber security while in post, but not in relation to any particular sector or industry;
- he had no involvement in selling cyber insurance or in the insurance sector;
- GCHQ does not have a regulatory role on cyber;
- he has been clear that he will not represent the interests of his clients to Government; and
- over 4 months have passed since Mr Hannigan left the Civil service.

The Committee had no concerns that these commissions could reasonably be perceived as a reward given he had no contact with the companies while in post, and GCHQ has confirmed it has no relationship with them either.

Conditions

The Prime Minister accepted the Committee's advice that, in accordance with the Government's Business Appointment Rules, the consultancy and the commissions with Immersive Labs Ltd and Hiscox Insurance Ltd be subject to the following conditions:

- that he should not draw on (disclose or use for the benefit of himself or the 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 on behalf of any of his clients or those he advises, nor should he make use, directly or indirectly, of his Government and/or Crown service contacts to influence policy or secure business on behalf of his clients;
- for two years from his last day of service he should not undertake any work as a consultant that involves providing advice to any company or organisation on the terms of a bid or contract relating directly to the work of GCHQ; and
- for two years from his last day in Crown service, before accepting any commissions and or/before extending or otherwise changing the nature of any commission, he should seek advice from the Committee. The Committee will decide whether each commission is consistent with the terms of his consultancy and consider any relevant factors under the Business Appointment Rules.

While the Committee is not willing to provide advice on the commission with BlueteamGlobal, it would expect Mr Hannigan to comply with the conditions set out above in the exercise of his role.

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 (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."*

I should be grateful if you would ensure that we are informed as soon as Mr Hannigan takes up these commissions, 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 Mr Hannigan informs us if he proposes to expand or otherwise change the nature of his consultancy as, depending on the circumstances, it may be necessary for him to make a fresh application.

Once the consultancy has been publicly announced or commissions taken up under it, 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

Nicola Richardson
Committee Secretariat