

From the chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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You sought the Committee's advice about taking up a role with BNP Paribas UK.

The Committee's remit

It is the Committee's role to advise on any conditions that should apply to appointments or employment under the Government's Business Appointments Rules for Former Ministers (the Rules), which apply to former Ministers for two years after they leave office.

The Rules seek to counter suspicion that:

- a) the decisions and statements of a serving Minister might be influenced by the hope or expectation of future employment with a particular firm or organisation; or
- b) an employer could make improper use of official information to which a former Minister has had access; or
- c) there may be cause for concern about the appointment in some other particular respect.

When the Committee considers applications it must have in mind that Government has judged that it is in the public interest that former Ministers with experience in Government should be able to move into business or into other areas of public life, and to be able to start a new career or resume a former one. It is equally important that when a former Minister takes up a particular appointment or employment, there should be no cause for any suspicion of impropriety.

It is not the Committee's role to pass judgment on whether an appointment is appropriate or suitable in any other regard.

Appointment details

You sought the Committee's advice on taking up an paid appointment with BNP Paribas UK, as a political consultant/ adviser - working around 2-3 days per month.

BNP Paribas is a French bank which operates globally in Retail Banking & Services and in Corporate & Institutional Banking. You said you would provide advice/ consultancy on UK and European Politics to BNP Paribas UK and its clients, including speaking at events run by the bank for its clients. You expect that other financial institutions will make up the majority of clients. You do not expect to have contact with Government in this role.

You noted that you were a full-time employee in international banking (from 1989-1997) and BNP Paribas in New York (1993-1997) was your last employer before entering politics.

You confirmed you had no dealings with BNP Paribas during your last two years in office. You said you had no access to commercially sensitive information about competitors, but did have some contact with the bank's competitors, which you described as: *'(Very) occasional round-table style events where other global banks were present, at the Department for International Trade, to discuss general issues around trade and investment, eg. round tables for Canadian investors where eg Bank of Montreal was present.'*

The Permanent Secretary at the Department of International Trade (DIT) confirmed that neither you, nor the DIT Financial Services sector team have had any direct dealings with BNP Paribas.

DIT also confirmed that you would have been privy to political information that could be important to trade, such as knowledge of the UK's future trade agreement priorities and some of the individual country nuances and challenges. However, given four months have passed since you left office, DIT said it was unlikely the information would be sufficiently up to date to give BNP Paribas an advantage over its competitors. The Permanent Secretary did not perceive any conflict of interest or propriety concerns with this appointment.

The Committee's consideration

You and DIT have both confirmed that you did not meet with BNP Paribas; and in relation to specific decisions you may have made in relation to BNP Paribas, DIT confirmed that any relevant trade policy decisions you made as Minister of State for Trade Policy, (for example on the Trade Bill), could affect *all* financial services firms with a UK presence. The Committee also noted this role is related to your earlier career in banking, before you left banking in 1997 and moved into politics. The Committee¹ considered the risk this role could be considered as a reward for decisions made in office is therefore low.

The Committee considered whether, as a Minister in DIT, you would have had access to information about existing trade agreements and the development of a new trade policy, which could provide BNP Paribas with an unfair advantage. The Committee gave weight to the Permanent Secretary's view that this is unlikely, given the time that has passed since you left office. The Committee also recognises this is a changing and emerging policy area. Therefore the Committee considered the four months that have passed since you left office is a long enough gap to mitigate the potential risk here, alongside the conditions below which impose restrictions on the use of privileged information and on the use of your contacts in Government/Whitehall to the advantage of BNP Paribas.

Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment be subject to the following conditions:

¹ This application for advice was considered by Sir Alex Allan; Jonathan Baume; Baroness Browning; Lord Michael German; Terence Jagger; Baroness Helen Liddell and John Wood. Dr Susan Liautaud and Richard Thomas were unavailable.

- that you should not draw on (disclose or use for the benefit of yourself or the organisations to which this advice refers) any privileged information available to you from your time in ministerial office; and
- for two years from your last day in ministerial office you should not become personally involved in lobbying the Government on behalf of BNP Paribas, or its subsidiaries or clients. Nor should you make use, directly or indirectly, of your contacts in Government to influence policy or secure business on their behalf.

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.*"

The Committee also notes that in addition to the conditions imposed on this appointment, there are separate rules in place with regard to your role in the House of Commons.

I should be grateful if you would inform us as soon as you take up this role, 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 that have not been taken up or announced. This could lead to a false assumption being made about whether you had complied with the Rules and the Ministerial Code.

Please also inform us if you propose to extend or otherwise change the nature of your role as, depending on the circumstances, it may be necessary for you 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 where appropriate, refer to it in the relevant annual report.

The Baroness Browning

The Rt Hon Greg Hands MP

