



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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1. You sought the Committee's advice on taking up an appointment with Chatham House, the Royal Institute of International Affairs (Chatham House).

The Committee's role and remit

2. As you will be aware, it is the Committee's role to advise on the 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.

3. 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.

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

Appointment details

From the Chair

5. You sought the Committee's advice on taking up an unpaid, part time role with Chatham House. The website says Chatham House, the Royal Institute of International Affairs, is a not-for-profit, independent policy institute. Its goal is to help governments and societies build a '*sustainably secure, prosperous and just world*'. It does so by:

- Dialogue: Engaging governments, the private sector, civil society and our members in open debates and private discussions on the major issues in world politics.
- Research: Rigorous analysis of critical global, regional and country-specific challenges and opportunities.
- Leadership: Training the next generation of policy influencers to deepen their knowledge of the critical political issues and to develop their analytical and problem-solving skills.

6. You stated your role will be to join the Chatham House panel of senior advisors, chaired by John Major, and to help lead policy debates within Chatham House. You informed the Committee your former department HM Treasury (HMT) is a major policy department in relation to economic policy and international trade policy, both areas in which Chatham House is actively interested. You will therefore expect some of the areas of policy development in which you will be engaged will involve interaction with HMT.

7. You informed the Committee you attended a number of events at Chatham House and interacted with the Director and other senior Chatham House figures. You also said on occasion, Chatham house provided a venue for an official speech made in your capacity as Chancellor. However you told the Committee you were not involved in any policy decisions or developments that could be seen to affect Chatham House. You stated you were unaware of a relationship between Chatham House and your former department, HMT. You confirmed you did not meet with competitors of Chatham House nor do you have access to sensitive information regarding competitors.

8. HMT said it had no record of you attending any Chatham House events in your tenure as Chancellor, though you did as Foreign Secretary at least on two occasions. It did say you did engage with a member of the Council, Robin Niblett, the Chief Executive of Chatham House on July 22, 2019 in a non-official capacity.

9. HMT said it does have a relationship with Chatham House. HMT is a Standard Corporate Member of Chatham House and pays an annual membership fee of £4,500. Corporate Membership offers HMT officials access to Chatham House members events and access to online material, which contributes to policy development by facilitating access to a wide range of relevant expert opinions and supports HMT's learning and development offer to staff. Separately, as public figures and experts in their fields, HMT Ministers and senior officials speak at Chatham House events or engage with its officials and researchers on an ad hoc basis to build awareness and support for HMT's policy positions. HMT's Corporate Membership and resulting subscription payments are approved by senior officials and their decision is not subject to Ministerial approval. It confirmed you had no role in HMT's relationship with Chatham House and will not likely be aware of its status as a Corporate Member.

10. HMT confirmed you were not involved in policy changes which would be seen to affect Chatham House. HMT said information to which you had access as Chancellor will not unfairly benefit Chatham House; and are no relevant unannounced policies developed during your time as Chancellor. HMT noted Chatham House is a registered charity and a non-profit organisation, funded by membership subscriptions, payments for research and philanthropic support and other policy institutes and think tanks don't necessarily act as 'competitors' in a commercial sense. While you participated in events and policy discussions at other think tanks as Chancellor, this would not have provided you with access to sensitive information about those institutions which might benefit Chatham House.

11. In regards to your contact with governments, HMT said its ministers and senior officials engage regularly with a wide range of experts and prominent figures to participate in public dialogue, develop expertise relevant to the policy making process, and explain and build support for government policy positions. Your experience as a senior Cabinet Minister would make you a valuable contact for HMT to engage with in this context.

12. HMT has no concerns about you taking up this appointment.

The Committee's consideration

13. When considering this application, the Committee¹ took into account that whilst you had some dealings whilst in office this was limited to attending events at Chatham House and interacting with the Director. Further, you had no involvement in policy decisions nor awarding any funding or contracts to Chatham House and this is an unpaid role. Therefore, the Committee considered there is no reason it might be perceived this appointment is a reward for decisions made or actions taken from your time in office.

14. The Committee noted this appointment generally overlaps with your time in office, noting it is drawing on knowledge, skills and experience from your time in government. However, the Committee was mindful that any Chancellor inevitably is involved in fiscal and economic policy. Given Chatham House's interest in this area of policy it is likely this information could be of interest to the organisation. However, the Committee gave weight to HMT's view that you did not have access to sensitive information that could provide an unfair advantage to Chatham House. It also noted the amount of time that has passed since you were in office (11 months) and as such considered the risk you could offer an unfair advantage to Chatham House through your access to sensitive information, low.

15. The Committee also recognised that you may have some contact with Government given the links Chatham House has via research and the bringing together of experts and decision makers for discussion. The Committee considered the nature of the company was relevant, Chatham House is a not-for-profit focussed on helping government and societies and therefore there is limited scope for unfair advantage. Further, the conditions imposed make clear that it would be inappropriate to use your contacts made in office to secure funding for Chatham House.

¹ This application for advice was considered by Sir Alex Allan; Jonathan Baume; Mike Weir; Lord Larry Whitty; John Wood; The Rt Hon, Lord Eric Pickles; Dr Susan Liataud and Richard Thomas.

16. Taking into account the above, in accordance with the Government's Business Appointment Rules, the Committee advises your work with **Chatham House, the Royal Institute of International Affairs** be subject to the following conditions:

- 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 office;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK Government on behalf of Chatham House, the Royal Institute of International Affairs (including parent companies, subsidiaries and partners). This would not prevent you from having contact with the UK Government in line with your role, as described. However, it would prevent you from making use, directly or indirectly, of your government and/or Ministerial contacts to influence policy, secure funding/business or otherwise unfairly benefit of Chatham House, the Royal Institute of International Affairs (including parent companies, subsidiaries, partners and clients); and
- for two years from your last day in ministerial office, you should not provide advice to Chatham House, the Royal Institute of International Affairs on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the Government.

17. 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 Ministerial Code/ Civil Service Code or otherwise.

18. 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.*"

19. I should be grateful if you would inform us as soon as you take up this consultancy and/ or commission, or if it is announced that you will do so. 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 Ministerial Code. Similarly, I should be grateful if you would inform us if you propose to extend or otherwise change your role with the organisation as depending on the circumstances, it might be necessary for you to seek fresh advice.

20. Once this consultancy is in operation, or has been publicly announced, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

From the Chair

The Rt Hon Lord Pickles

The Rt Hon Philip Hammond