



## 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>

2 March 2020

### **BUSINESS APPOINTMENT APPLICATION: Rachel McLean**

1. Rachel McLean sought advice on taking up the role of Chief of Finance Officer with Crossrail Ltd.
2. Ms McLean has been the Director General, Chief Financial Officer, since January 2018 at the Ministry of Housing, Communities and Local Government (MHCLG). She will remain here until 1 January 2020, which will be her last day in post.

#### Application

3. Ms McLean sought the Committee's advice on taking up a role with Crossrail Ltd (Crossrail) - a limited company owned by Transport for London (TfL). It is a subsidiary of TfL, jointly sponsored by TfL and the Department for Transport (DfT). The funding for Crossrail was put in place in October 2007 when the Prime Minister announced that Crossrail's costs would be met by the Government, the Mayor of London and London businesses. At the time, funding of £15.9 billion was agreed to deliver the Crossrail scheme, with the Government providing a grant of £4.9 billion and there being a number of further revenue streams for the company. In this letter, reference to Crossrail will relate to both Crossrail and TfL.
4. Ms McLean has been invited to join Crossrail as the Chief Finance Officer (CFO), on a paid, full time basis. In her application she stated that as CFO she will provide financial, risk and commercial leadership for the substantial capital programme to complete the introduction of the Crossrail programme. Ms McLean also stated the Crossrail CFO reports to the CEO of Crossrail and supports him in delivering Crossrail '*..safely, to a high quality, within budget and in accordance with the Delivering Strategy, Sponsors Requirements and the Crossrail Act*'.

5. Ms McLean confirmed that she is a previous TfL employee, working with the company between 2006 and 2015 (including as Director of Capital Programmes Transformation and Head of Operational Finance (London Rail and London Underground)). Additionally, that she worked in the rail industry continually from 1992 to 2015, employed by British Rail and AEA Technology Rail prior to her role with TfL and was approached for this role as a result of her previous experience.
6. She also noted that the role of CFO will likely include reporting financial and risk reports to a range of sponsor/stakeholder representatives from DfT and potentially Her Majesty's Treasury (HMT).
7. Ms McLean confirmed that she had no previous involvement in official dealings with Crossrail and she was not involved in any relevant policy or development decisions regarding the company. Ms McLean noted that she chairs MHCLG's Investment Sub-Committee, which approves MHCLG programmes, some of which have benefited the transport sector and Greater London Authority. However, she confirmed that besides her approval of programme-level business cases, she had no role in the design or allocation of funds; and that there is no link to Crossrail. She confirmed she had no involvement in commercial or contractual decisions regarding the company.
8. MHCLG confirmed the details in Ms McLean's application and noted that Crossrail has no commercial competitors as such and although Ms McLean chairs MHCLG's Investment Sub-Committee there is no link to Crossrail here.
9. The department also confirmed that it sees no issues with this appointment, stating '*...there is no perception that this appointment is a reward in any way for anything she has done in the Service, or that Crossrail will benefit from appointing Rachel outside of her being a very strong candidate for the role based on her skills and experience*'.
10. MHCLG has no reservations with Ms McLean taking up this post and recommended conditions which prevent her use of privileged information and lobbying the Government. MHCLG saw no issue with the proposed contact with DfT and HMT in this role.

#### The Committee's consideration

11. The Committee<sup>1</sup> noted that both Ms McLean and MHCLG confirmed she had no official contact with Crossrail while in post. It also noted that as Chair of MHCLG's Investment Sub-Committee, she had no role in the design or allocation of funds and that this had no link to Crossrail. Additionally, the Committee took into consideration that this post is related to Ms McLean's previous career as a former TfL employee between 2006 and 2015, and before that when she worked in the rail industry

---

<sup>1</sup> This application for advice was considered by Sir Alex Allan; Jonathan Baume; Baroness Angela Browning; Dr Susan Liautaud; Richard Thomas; Mike Weir; Lord Larry Whitty and John Wood.

between 1992 and 2015, employed by British Rail and AEA Technology Rail. The Committee agreed with the department's consideration that the risk Ms McLean was offered the role as a reward for decisions made in office, is low.

12. The Committee took into consideration that Ms McLean and MHCLG confirmed she has had no access to policy or other departmental information or specific knowledge which could give Crossrail an unfair advantage. Crossrail and its operation falls outside of Ms McLean's responsibilities in post at MHCLG. Therefore, the Committee considered the risks associated with access to information from her time in office are low and adequately mitigated by the condition which prevents her from drawing on privileged information.
13. The Committee considered whether the contact Ms McLean is likely to have with Government in this role would be improper - reporting on risk and finances to sponsors (which may include DfT and HMT, rather than MHCLG). The Committee agreed with the Department's consideration that there is no particular risk associated with such reporting to Government. However, the Committee would draw Ms McLean's attention to the lobbying ban which makes it clear that use of her contacts to unfairly benefit Crossrail would be improper, as would her advising on bids and contracts relating to the Government.
14. Under the Government's Business Appointment Rules, the Committee's advice is that Ms McLean's appointment with Crossrail Ltd should be subject to the following conditions:
  - that she should not draw on (disclose or use for the benefit of herself or the organisations to which this advice refers) any privileged information available to her from her time in Crown service;
  - for two years from her last day in Crown service she should not become personally involved in lobbying the UK Government on behalf of Crossrail Ltd (including its parent companies, subsidiaries, partners or clients). This is not intended to prevent Ms McLean working with and reporting to the Government as described above. However, it would prevent her from making use, directly or indirectly of her contacts in the Government and/or Crown service to secure funding or otherwise benefit Crossrail, its parent companies, subsidiaries, partners or clients.
  - for two years from her last day in Crown service she should not undertake any work with Crossrail Ltd (including parent companies, subsidiaries, partners or clients) that involves providing advice on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of, the UK Government.
15. 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.

16. 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."*
17. I should be grateful if you would inform us as soon as Ms McLean takes up employment with this organisation(s), or if it is announced that Ms McLean 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 Ms McLean has complied with the Rules.
18. Please also inform us if Ms McLean proposes to extend or otherwise change the nature of her role as, depending on the circumstances, it may be necessary for her to make a fresh application.
19. 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.

Andrea Benjamin  
Committee Secretariat