

OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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Bill Crothers By email

15 April 2021

Dear Mr Crothers

Thank you for your letter received today (annexed below). You have informed the Committee you took on a role as an unpaid Trustee on the Global Board of Trustees of the Chartered Institute of Procurement and Supply in November 2016 and later resigned in December 2018.

You did not seek the Committee's advice on this work, and have written to say you made a mistake in not seeking advice before being appointed to this role in 2016. This was because you did not think an application was required for a an organisation with not-for-profit/charitable¹ status and have apologised to the Committee.

The Government's Business Appointment Rules apply to paid and unpaid appointments or employment. It was therefore a breach of the Government's Rules, and the requirement set out in the Civil Service Management Code, to fail to seek advice.

I also note the clarification provided in respect of the previous advice you received from the Committee to provide advisory work - which is published on the website here: <u>https://www.gov.uk/government/publications/crothers-bill-government-chief-commercial-office</u> <u>r-cabinet-office-acoba-recommendation</u>

In line with our policy of transparency, we will be publishing our exchange of correspondence about this matter; and this letter will be copied to the Cabinet Office, as the owner of the Rules.

¹ The CIPS Foundation is registered with the UK Charity Commission as a linked charity of CIPS, with the charity number 1017938-1

Bill Crothers

Annex - Letter from Mr Crothers to ACOBA dated 15 April 2021

Dear Lord Pickles,

I apologise for having to write to you again but I wanted to provide absolute clarity on certain points that I believe may be at risk of misinterpretation

1. Unpaid appointment as a Trustee of a charity

I was appointed to be a Trustee on the Global Board of Trustees of the Chartered Institute of Procurement and Supply (CIPS) in November 2016 and resigned in December 2018. CIPS:

- is a registered charity dedicated to the promotion of education in procurement and supply
- is a Not For Profit organisation and exists for the public good
- establishes standards and qualifications, creates and delivers training, and promotes the role of the profession
- has activity globally, headquartered in the UK with regional subsidiaries including in Africa, Middle East, USA, Singapore, and Australasia.

Trustees are drawn from the membership, either by election or appointment. I volunteered and was appointed by the standard process whereby all prospective Trustees must demonstrate that they satisfy certain criteria, be interviewed by the Nominations Committee, and meet with the Chair.

Trustees are volunteers who commit their time and expertise to CIPS without remuneration, providing leadership in fulfilment of CIPS' Charter and charitable objectives, and ensuring the delivery of the organisational strategy. The Board has up to 15 seats.

CIPS income is drawn from areas such as membership subscriptions, exam fees and provision of resources, as well as training and education services. They provide such training and education services to a range of private companies and governments including in the UK. I believe that these services were being provided before I was appointed to my Cabinet Office role, during my role, and have continued after my exit. To my memory, I did not let any contracts with CIPS though I had a general awareness of their work and met their CEO from time to time. Nor, when as a Trustee, did I draw on privileged information available to me from my time in the Cabinet Office, assist with bids/contracts relating to the UK Government; and did not become personally involved in lobbying the UK Government on behalf of CIPS.

I am afraid that when appointed, I did not think that an ACOBA approval was required due to it being a not for profit charity and an unpaid Trustee role. I am sorry for this honest mistake.

I understand that ACOBA do not issue retrospective approvals but wanted to provide full transparency regardless.

2. 2016 approvals

As has been previously disclosed both through the ACOBA website and our recent correspondence, during 2016 I sought and received two ACOBA approvals: one in mid 2016 and one in late 2016.

Both of these advisory roles were invoiced via Commercial Common Sense Limited, a company I incorporated in September 2015. This company:

- has no employees and me as the sole director
- was dormant until mid 2016 (after my leaving the civil service)
- is purely a vehicle to invoice my advisory work
- does not have a website or in any other way market its services
- is not a consultancy business

I, through Commercial Common Sense Limited, was invoicing for advisory work, consistent with your approvals, before Commercial Common Sense's first year end of 30th September 2016.

In your late 2016 approval you also provided permission for me to establish an "independent consultancy". I believe that this was a misunderstanding as I had not requested, or intended to request, such approval. I want to ensure there was no misinterpretation between the approval provided in late 2016 for an independent consultancy and the earlier establishment of Commercial Common Sense Limited. The two points are unrelated as Commercial Common Sense Limited was purely a vehicle for me to invoice my advisory work.

My concern is that prima facie these points, and the timing could be misunderstood and misinterpreted and I therefore trust that this clarifies the situation.

I will make myself available to discuss as required.

Yours sincerely

William (Bill) Crothers