

Code of Practice for Members of the Advisory Committee on Business Appointments

Introduction

1. The role of the Advisory Committee on Business Appointments is to:
 - provide independent advice to the Prime Minister¹ on the application of the Government's Business Appointments Rules (the Rules) to the most senior members of the civil service, armed forces, diplomatic service, and intelligence agencies who wish to take up appointments within two years of leaving Crown service; and
 - provide independent advice directly to former Ministers on appointments they wish to take up within two years of leaving Government².

Public Service Values

2. The members of the Advisory Committee must at all times:
 - observe the standards of impartiality, integrity and objectivity in relation to and in consideration of all applications made under the Rules and the Guidelines for former ministers; and
 - be open and transparent, complying with the Freedom of Information Act, whilst ensuring confidentiality of individual applications and associated discussion, in line with the provisions of the Data Protection Act.

The Prime Minister is answerable to Parliament for the performance of the Advisory Committee's duties as outlined in the Rules.

Standards in Public Life

3. All Advisory Committee members must:
 - follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life;
 - comply with the Advisory Committee's Code of Practice, and ensure that they understand their duties, rights and responsibilities, and that they are familiar with the function and role of the Advisory Committee and any relevant statements of government policy. New Advisory Committee members should be briefed on these issues by the Secretary; and
 - not misuse information gained in the course of their public service for personal gain or for political purpose, nor seek to use the role of public service to promote their private interests or those of closely connected persons, firms, businesses or other

¹ Advice is provided to the Foreign Secretary if the applicant is from the diplomatic service, the Defence Secretary for most Ministry of Defence staff, to the First Ministers of Scotland and Wales in the case of officials working for the Scottish and Welsh Governments, or the relevant Permanent Secretary if the applicant is a special adviser.

² As set out in the UK, Scottish and Welsh Ministerial Codes.

organisations.

Role of Committee members

4. Members of the Advisory Committee have collective responsibility for its operation. They must:
 - play a full and active part in the work of the Advisory Committee, engaging in collective consideration of applications and taking account of the relevant factors and information;
 - respond appropriately to complaints;
 - ensure that the Advisory Committee does not exceed its powers or functions;
 - ensure that the provisions of the Freedom of Information Act 2000 (including prompt responses to public requests for information) are adhered to, whilst ensuring the confidentiality of individual applications and associated discussions;
 - publish relevant information on all appointments taken up; and
 - publish an Annual Report.
5. Members are appointed for a non renewable period of 5 years and any individual Advisory Committee members can be removed from office by the Prime Minister if they fail to perform the duties required of them in line with the standards expected in public office. Members should at all times, and in particular when engaging in political activity, remain conscious of their role and general responsibilities and should exercise discretion.

The role of the Chair

6. The Chair has particular responsibility for providing effective leadership and is responsible for:
 - ensuring that the Advisory Committee provides timely and fully considered advice to the Prime Minister (or other responsible Minister or Permanent Secretary) on the application of the Rules to former Crown servants for appointments or employment they wish to take up within two years of leaving Crown service;
 - ensuring that the Advisory Committee provide advice to former ministers who notify the Committee on appointments or employment they wish to take up within two years of leaving the Government;
 - representing the Advisory Committee to the general public and others; and
 - acting as the Advisory Committee's Qualified Person as set out in Section 36(2) and 36(3) of the Freedom of Information Act 2000.

Handling conflicts of interests

7. Public scrutiny will rightly focus on members' direct or indirect interests that may or could be perceived to influence their judgement. The Advisory Committee is committed to ensuring any relevant interests are made clear through two mechanisms; the Register of

Interests and the declaration of any such interest. A relevant interest means any interest that might influence the judgement of a member or might be perceived by others to influence his or her judgement in the exercise of his or her public duties.

Register of Interests

8. Members will register relevant interests in the Advisory Committee's Register of interests. These may include:
 - remunerated interests
 - shareholdings - amounting to a controlling interest or exceeding £50,000 in value. (Holdings in collective investment vehicles are not generally registerable.)
 - consultancy clients.
 - unremunerated interests e.g. pro bono.
 - the remunerated and unremunerated interests, and clients of, close members of their family.

Past interests may be relevant.

A copy of the Register of Interests is available on the Advisory Committee's website.

Declaration of Interests

9. In addition, members must declare to the Committee relevant interests relating to an individual application. These may include:
 - any direct or indirect financial interest in, or connection with, a company or organisation associated with an application; and
 - any relationship, friendship or professional or business association with the applicant.
10. If in any doubt the member should declare the interest involved. Any interest which the Committee judges relevant will be formally recorded.
11. Following the declaration of an interest, the member may decide to withdraw from any decision on the application or the Committee may decide that the member concerned must withdraw from any such decision. Withdrawal of a member will be recorded in the advice offered by the Committee.

Personal liability of Committee members

12. Legal proceedings by a third party against individual Committee members of advisory bodies are very exceptional. A Committee member may be personally liable if he or she makes a fraudulent or negligent statement which results in a loss to a third party; or may commit a breach of confidence under common law or a criminal offence under insider dealing legislation, if he or she misuses information gained through his or her position. However, the Government has indicated that individual Committee members who have acted honestly and in good faith will not have to meet out of their own personal resources any personal civil liability which is incurred in execution or purported execution

of their Committee functions, save where the person has acted recklessly. Committee members who need further advice should consult the Secretary in the first instance.