



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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January 2015

You asked for the Committee's advice about accepting the following part-time, paid appointments: as a non executive director with the London Stock Exchange (LSE); and as Chair of Flood Re.

When considering your application, the Committee took into account that as Financial Secretary you had responsibility for financial services policy and this included policy development at both a domestic and European level which affected the Stock Exchange and its competitors. The Committee noted that you met LSE's competitors; however you did not have access to any commercially sensitive material.

The Committee, when considering your application to accept the appointment with Flood Re, took into account that during your time as Financial Secretary you were responsible for the development of financial services policy and therefore had contact with a range of insurers. The Committee noted that you had extensive contact with general insurers, but you did not deal with flood insurance policy and you have confirmed that you did not have any official dealings with competitors of your prospective employer or client.

Furthermore the Committee noted that these roles do not require you to lobby Government.

Taking into account all the circumstances, the Committee is content to approve the appointments subject to the following conditions:

- that you should not draw on any privileged information available to you as a Minister; and
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK Government on behalf of your new employer, its parent company or its clients (This would not prevent communications with

Government on matters which are an integral part of the normal course of business for Flood Re).

It might be helpful if I add that lobbying is defined in the Business Appointment Rules in the following way: "Lobbying in this context means that the former Minister should not engage in communication with Government - including Ministers, special advisers and officials - with a view to influencing a Government decision or policy in relation to their own interests, or the interests of the organisation by which they are employed, or to whom they are contracted".

I should be grateful if you would inform us as soon as you take up these appointments, 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 which 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 LSE or Flood Re as, depending on the circumstances, it may be necessary for you to seek fresh advice.

Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website and include the main details of the application, together with the Advisory Committee's advice, in the regularly updated consolidated list on our website and in the next annual report.

Baroness Browning

Mark Hoban MP