

ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Minutes of the meeting held at 35 Great Smith Street, SW1P 3BQ
Wednesday 7 July 2010 at 2.00pm

PRESENT

The Rt Hon Lord Lang of Monkton DL (Chairman)
The Rt Hon Lord Macdonald of Tradeston CBE
Lord Dholakia OBE DL
Dame Juliet Wheldon DCB QC
Sir Colin Budd KCMG
Sir Hugh Stevenson

Cabinet Office: Propriety and Ethics Team

Sue Gray
Sally Pugh

Press Officer

Maggie O'Boyle

Secretariat

Ms Sue Pither
Mrs Navita Seedhar
Mr Roger Sampson
Ms Beth Watson

Apologies

General The Lord Walker of Aldringham GCB CMG DL

Item 1 – Chairman's Update

Lord Lang updated members on 3 cases which he had dealt with in his capacity as Chairman.

Item 2 – Minutes of the last meeting

The minutes of the meeting on 16 June were agreed.

Sue Gray and Sally Pugh from the Cabinet Office's Propriety and Ethics team joined the meeting.

Item 3 – Discussion on the new Rules for Crown servants

Sue Gray set out the proposed changes to the Business Appointment Rules and what they were designed to achieve. The current rules were very detailed but not easy to follow. The new Rules would provide clarity in a number of

areas and draw attention to aspects which were important but which might currently be overlooked, for example the need to inform line managers about any approach regarding an outside appointment. Key changes included:

- Introducing a 12-month lobbying restriction for those in pay band SCS3 and above.
- Removal of exemptions – unpaid appointments in non-commercial organisations and appointments which were in the 'gift of Government' would no longer be exempt. It was not always clear what should constitute a 'non-commercial organisation', and, in the case of jobs in the gift of Government, there may be some cause for concern in terms of previous access to information and so it was right that these jobs should be subject to scrutiny in the normal way
- All applications from Special Advisers would be referred to the Advisory Committee, which would help maintain consistency of treatment between Departments
- Permanent Secretaries in Departments would be formally responsible for the decisions on applications that were not referred to the Advisory Committee (all below SCS3), and would have to sign a compliance statement confirming that the requirements were met. They would be encouraged to consult the Advisory Committee's Secretariat on particularly sensitive or difficult cases for advice before making their decisions.
- Removal of the Prime Minister's ability to set aside the Advisory Committee's recommendation in favour of accepting a separate argument based on 'national interest' grounds. The Prime Minister could always decide not to accept the ACOBA recommendation in any particular case [and it would be up to him to explain why].

In discussing these changes, the following points were made:

- Any lobbying restriction for those in pay band SCS3 should be consistent with former Ministers and therefore two years rather than 12 months.
- It was arguable that, of the 4 principles listed at the start of the new rules as examples of behaviour that the rules were meant to support and reflect, only "integrity" was directly relevant
- The position of Special Advisers was not analogous to that of advisers brought in to Government as experts, who were normally unpaid
- It was intentional that the bar being set was higher for those solely involved in letting contracts than for others
- Standards in public life were in reality quite high, and were probably higher now than they had been when the Advisory Committee was first set up
- It was important that there should be no conflict of interest between roles people had in Government and other roles they may be offered while they were in Government, including any possible role as a Government Envoy

Maggie O'Boyle said that she would expect to see considerable media interest in the new Business Appointment Rules. In discussing how this interest should best be handled the following points were made:

- The Committee would want to welcome being part of the consultation process concerning the new rules along with the trade unions and others
- The letter that the Committee was now preparing to send to the Prime Minister about the new rules may well become public in due course.
- The Committee would continue to provide advice and comment through its website and in its annual reports, and, in doing so, its comment on the new Rules would address their likely efficiency rather than whether the rules were harder or stronger than before.

Item 4 – Letter to the Prime Minister on the new Business Appointment Rules

The Committee discussed the draft letter.

ACTION: Various changes to the letter were agreed. Dame Juliet and Sir Colin would form a sub-Committee to agree the final draft in the light of these changes.

Item 5 – AOB

A number of outstanding cases were discussed.

ACTION: Lord Lang to contact a particular Minister to explain the reasons behind the Committee's provisional advice.

A new paper on Data Protection was issued to members. This incorporated amendments to the Data Protection Guide discussed at the Committee's meeting in March 2010, following discussion between the secretariat and the Cabinet Office's Head of Estate and Strategy about particular points that had been raised by members at that meeting.

ACTION: Members to observe the practices set out in the new paper.

Item 5 - Date of the Next Meeting

The next meeting was agreed for 27th October.

Sue Pither
Secretary

