



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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Dear Melanie Dawes,

BUSINESS APPOINTMENTS APPLICATION: LORD KERSLAKE

The Committee has been asked to consider two applications from Lord Kerslake, the former Permanent Secretary at the Department for Communities and Local Government (DCLG), and Head of the Civil Service. He is seeking permission to establish an independent consultancy and accept a commission under that consultancy with Penna.

The Committee noted that Lord Kerslake wishes to establish an independent consultancy company, Endcliffe Services, to provide management services on a consultancy basis. The Committee considered the fact that Lord Kerslake will initially undertake a commission with Penna, a global people management organisation, and in future may wish to provide advisory services to other similar companies.

When considering these applications, the Committee noted that Lord Kerslake did not have official dealings with Penna during his last two years in office. Although DCLG had some contracts with Penna, Lord Kerslake had no involvement in the award of these, and the Department has no concerns with him accepting a role with Penna. Furthermore, as Lord Kerslake was not involved in contracts awarded to recruitment consultants he therefore did not have any direct dealings with any of Penna's competitors.

When reaching a decision the Committee has also taken into account Lord Kerslake's assurance that he will not be involved in recruitment or advisory work with central government.

The Prime Minister has accepted the Committee's recommendation that these applications be approved subject to the conditions that:

- For 12 months from his last days of service Lord Kerslake should not undertake any work as a consultant, which involves providing advice to any company or organisation on the terms of a bid or contract relating directly to the work of his former departments.
- Lord Kerslake should not draw on privileged information available to him from his time in Crown service; and
- For two years from his last day of service, Lord Kerslake should not become personally involved in lobbying the UK Government on behalf of his new company, his clients or those he advises.
- Before accepting any commission Lord Kerslake should make a case directly to the Committee to confirm that each individual commission he wishes to undertake would be permissible under the approved terms of the consultancy. (If, after enquiry, the Committee takes the view that a commission is, or may be, outside the terms of the consultancy he will be expected to submit a fresh application).

It might be helpful if I add that the Business Appointment Rules explain that the restriction on lobbying means that former civil servants "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 also be grateful if you would ask that Lord Kerslake informs us if he proposes to extend or otherwise change either of these roles as, depending on the circumstances, it may be necessary for him to make a fresh application.

Please could you also ask Lord Kerslake to inform us when he takes up his post or, if earlier, when it is announced. We are otherwise unable to deal with any enquiries, as we do not release information about appointments that have not been announced or taken up and this could lead to the false assumption that he did not comply with the rules. In line with our usual practice, we will then publish this letter on the Committee's website and include the main details of the applications, together with the Advisory Committee's advice, in the regularly updated consolidated list on our website and in the next annual report.

Yours sincerely

Vicky Ramsden
Committee Secretariat