



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/8, 1 Horse Guards Road, London, SW1A 2HQ
Telephone: 020 7271 0839
Email: acoba@acoba.gov.uk
Website: <http://www.gov.uk/acoba>

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BUSINESS APPOINTMENT APPLICATION: WILLIAM HAGUE

The Committee has been asked to consider an application from William Hague, former Chief People Officer at HM Revenue and Customs (HMRC). He wishes to become the HR Director at the Financial Conduct Authority (FCA). This is a full-time, paid appointment.

The Committee noted that Mr Hague has had no paid employment since leaving HMRC on 31 August 2016 to take an unpaid career break. His last day in the Civil Service will be 1 September 2017.

When considering this appointment the Committee took into account the following factors:

- The FCA is the conduct regulator for financial services firms and financial markets in the UK and the prudential regulator for over 18,000 of those firms. It is an independent public body and is accountable to the Treasury.
- As HR Director, Mr Hague told the Committee he would be responsible for developing, implementing and refining the HR function and the FCA's people strategy.
- Mr Hague explained that the role was advertised internally and the FCA also appointed Executive Search consultants to approach suitable candidates in the external marketplace. He was approached in March 2017 directly by the appointed search firm.
- Mr Hague has confirmed that he had no official dealings with the FCA during his last two years of service, contractual or otherwise. This was confirmed by the Permanent Secretary at HMRC.
- As Chief People Officer he was on the HMRC Board and Executive Team and therefore had indirect contact with the sector that the FCA regulates. Along with others he attended HMRC's Stakeholder Conference as an Executive Committee member. As a corporate DG he had no meetings or dealings with representatives of the sector.
- The Permanent Secretary at HMRC has no reservations about the appointment.
- HMRC have suggested that it is possible that the role may involve legitimate interface with ministers and officials in the Civil Service.

The Prime Minister accepted the Committee's advice that this appointment be subject to the following conditions:

- He should not draw on (disclose or use for the benefit of himself or the organisation to which this advice refers) privileged information available to him from his time in Crown service; and

- For two years from his last day in Crown service, he should not become personally involved in lobbying the UK Government on behalf of the Financial Conduct Authority. This does not preclude routine contact on matters aligned with Government policy.

By 'privileged information' we mean official information to which a Minister or Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available. Applicants are also reminded that they may be subject to other duties of confidentiality, whether under the Official Secrets Act, the Civil Service Code or otherwise.

The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister "*should not engage in communication with Government (Ministers, civil servants, including special advisers, and other relevant officials/public office holders) – wherever it takes place - with a view to influencing a Government decision, policy or contract award/grant in relation to their own interests or the interests of the organisation by which they are employed, or to whom they are contracted or with which they hold office.*"

I should be grateful if you would ensure that we are informed as soon as Mr Hague takes up this position, or if it is announced that he will do so (I enclose a form for this purpose). 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, and this could lead to a false assumption being made about whether he had complied with the rules.

I should also be grateful if you would ask that Mr Hague informs us if he proposes to extend or otherwise change the nature of his role as, depending on the circumstances, it may be necessary for him to make a fresh application.

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.

Yours sincerely

Nicola Richardson
Committee Secretariat