



**OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS**

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You asked for the Committee's advice about the possibility of becoming a Senior Adviser to the Group Executive Chairman at Banco Santander S.A (Santander).

The Committee's remit

It is the Committee's role to advise on any conditions that should apply to appointments or employment under the Government's Business Appointments Rules for Former Ministers (the Rules), which apply to former Ministers for two years after they leave office.

The Rules seek to counter suspicion that:

- a) the decisions and statements of a serving Minister might be influenced by the hope or expectation of future employment with a particular firm or organisation; or
- b) an employer could make improper use of official information to which a former Minister has had access; or
- c) there may be cause for concern about the appointment in some other particular respect.

When the Committee considers applications it must have in mind that Government has judged that it is in the public interest that former Ministers with experience in Government should be able to move into business or into other areas of public life, and to be able to start a new career or resume a former one. It is equally important that when a former Minister takes up a particular appointment or employment, there should be no cause for any suspicion of impropriety.

Appointment details

Santander is a banking group which focuses on retail and commercial banking with operations across Europe, Latin America, North America and Asia.

You explained to the Committee that you previously worked at Santander before joining Government, between 2014 and 2015 as Senior Advisor to Ana Botin (the Group Executive Chairman); and as a consultant before that (including advice on strategic communications). You noted that it was Ana Botin that approached you about the potential of taking up this new role.

You described the role as advising the Group Executive Chairman on issues relating to the bank's business practices; reputation; culture; preparedness and plans for the digital economy; and its handling of regulatory issues. You noted the advice would be focused on strategy at Group level and you would likely be responsible for a team in Madrid.

You noted the role would not involve contact with Government. You said that whilst Santander would be in regular contact with the UK Government around matters such as regulation, as this would not be the focus of your role, you would have no personal contact with UK officials regarding the interests of Santander.

#### Committee's consideration

Given your former responsibilities as Parliamentary Under Secretary of State at the Department for Exiting the EU (DExEU); and Parliamentary Secretary prior to that, the Committee sought information from DExEU and the Cabinet Office.

John Manzoni, permanent Secretary at the Cabinet Office, confirmed that Government does not currently have a contractual relationship with Santander; he sees no reason the appointment could be seen as a reward in any way; nor does he consider that you would offer an unfair advantage to Santander.

DExEU confirmed you were responsible for departmental business in the House of Lords, stakeholder engagement and guiding strategic policy making. In relation to decisions that would have directly affected Santander, they said this was limited. Overall, DExEU confirmed they had no objection to the appointment nor any undue concerns about you taking up the post.

Both you and DExEU confirmed you occasionally met with the Chairman of Santander UK (in her capacity as spokesperson for the European Financial Services Chairmen's Advisory Committee - representing a number of financial services companies, including rivals to Santander), to discuss the impact of Brexit on financial services in general. You also met with numerous financial services institutions whilst in office to discuss the impact of Brexit. DExEU confirmed these discussions involved the sector as a whole, or business activities such as asset management (which is not the the focus of Santander's work).

DExEU noted that formal Brexit negotiations had not started at the point you left office and concluded that your time in office would not offer an unfair advantage to Santander in terms of access to unannounced policies or sensitive information. The Committee recognises that

this is a changing and emerging policy area. Further, you told the Committee you would have no personal contact with UK officials regarding the interests of Santander.

The Committee also considered it is relevant that you have a pre-existing relationship *outside of government* with Santander and its Group Executive Chairman, having worked for them previously for a number of years between 2010 and 2015. While this role has some links to the employment you undertook before you entered government, there are also links to the areas for which you had responsibility as a Minister at DExEU. In the circumstances the Committee considers that a waiting period would be appropriate to put some space between your recent role at DExEU and your returning to work at Santander.

Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment be subject to the following conditions:

- a waiting period of three months from your last day in ministerial office;
- you should not draw on (disclose or use for the benefit of yourself or the organisations to which this advice refers) any privileged information available to you from your time in ministerial office; and
- for two years from your last day in ministerial office you should not become personally involved in lobbying the Government on behalf of Banco Santander S.A, or their subsidiaries (this includes any discussions between Banco Santander S.A and the UK Government on exiting the UK and its implications). Nor should you make use, directly or indirectly, of your contacts in Government to influence policy or secure business on behalf of Banco Santander S.A or its subsidiaries.

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 inform us as soon as you take up employment with Santander, 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 that have not been taken up or announced. This could lead to a false assumption being made about whether you had complied with the Rules and the Ministerial Code.

Please also inform us if you propose to extend or otherwise change the nature of your role as, depending on the circumstances, it may be necessary for you 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.

The Baroness Browning

The Right Honourable Lord Bridges