



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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The Committee was asked to consider an application from Sir Dick Garwood for advice on establishing an independent consultancy and taking up a commission with PA Consulting.

Sir Dick was Director General Defence Safety Authority (DSA) from 1 April 2015 until 27 April 2017. Between April 2013 and April 2015, Sir Dick was Director General Military Aviation Authority (MAA) (now part of the DSA).

Sir Dick's last day in Crown service was 26 September 2017.

Appointment Details

Independent Consultancy

Sir Dick wishes to establish an independent consultancy to provide services in a range of safety related activity to include military aviation and other military risk areas. He stated this would involve providing advice on safety management structures, safety risk management; and setting up assurance and regulatory activity. He said the work would involve safety process only, rather than any form of procurement. He currently expects to operate in the overseas defence market. He added that the UK MOD has already been through a large reorganisation of its safety process and that project is now complete.

Sir Dick also said that during his time in Crown service, he did not work or engage with anyone or any State who could knowingly be a potential client; and that his roles in the MOD have not involved any commercial or procurement activity.

Commission with PA Consulting

Sir Dick also sought the Committee's advice on taking up a commission with PA Consulting, which has been contracted by the Qatar Emiri Air Force to improve safety during the purchase of a new fighter aircraft fleet.

PA Consulting is a global consultancy specialising in: consumer; defence and security; energy and utilities; financial services, government; healthcare; life sciences; manufacturing; transport; travel; and logistics.

Sir Dick stated the Qatar Emiri Air Force has approached PA Consulting to provide consultancy services in safety and risk management through process, organisation, assurance and the creation of revised military and civilian airspace structures. Sir Dick said of this work that *'the Qatar Emiri Air Force is modernising with the introduction of a range of new fighter aircraft including the Typhoon. This represents a significant uplift in capability and they wish to take the opportunity to update their Air Safety Management Systems across the Air Force.'* He also stated *'the aim of this work is to help build a safe flying environment for the Qatar Emiri Air Force's new aircraft to operate within thus saving both lives and valuable equipment.'*

Sir Dick made clear this work is not connected to any procurement programme or any UK or foreign defence company other than PA Consulting and involves assistance with process and structures only. He confirmed he had no previous business or contact with PA Consulting; that he has never held any commercial position with the MOD; that none of his previous roles had commercial responsibility or connection with industry; and that as Director General of DSA, his independence kept him clear of high-level MOD Departmental business.

Sir Dick said he was not involved in decisions which might affect the business of PA Consulting; and that he had no access to commercially sensitive information in relation to PA consulting.

Departmental assessment

The MOD raised no concerns about Sir Dick establishing a consultancy; or him taking up work with PA Consulting, subject to the conditions set out below. The Department confirmed Sir Dick had no involvement with companies in his most recent role at the MOD, including PA Consulting; and that he had no access to competitor information.

The MOD confirmed it holds a number of contracts with PA Consulting to include support to IT; equipment; and leadership development, but that Sir Dick had no involvement with these contracts. In addition, the MOD stated the UK is investing a large amount of effort into building the UK's relationship with Qatar; and assisting the Qataris with improving their safety culture is a vital part of that growing relationship, and therefore it does not believe that Sir Dick taking up this work would be improper.

The Committee's consideration

Independent Consultancy

Sir Dick wishes to establish a consultancy offering safety-related services in military aviation and other military risk areas. This could involve providing advice on safety management structures, safety risk management and setting up assurance and regulatory activity.

When considering this application the Committee¹ took into account that, Sir Dick's roles in the MOD have not involved any commercial or procurement activity. The MOD also confirmed Sir Dick had no access to competitor information and noted it has now been approximately 17 months since he left post. Further, the Committee noted Sir Dick's explanation that safety advice is normally shared freely by communities within and outside of

¹ This application for advice was considered by Sir Alex Allan; Jonathan Baume; Baroness Angela Browning; Terence Jagger; Dr Susan Liautau; Richard Thomas and John Wood. Lord Michael German and Baroness Helen Liddell were unavailable.

Defence to prevent accidents and reduce the risk-to-life of both UK citizens and foreign allies, and the vast majority of information about the MOD's safety activity, processes and reporting is placed in the public domain. Therefore, the Committee considered the risk of Sir Dick's consultancy providing an unfair advantage to clients, by virtue of information to which he was privy whilst in office, is low.

The Committee considered Sir Dick envisages the market for his consultancy services will be the overseas defence market. He said the UK MOD has already been through a large reorganisation of its safety process and that project is now complete. The Committee considered it is possible to mitigate any risks that he could be seen to offer any company bidding for work with the MOD an unfair advantage over competitors, by imposing the conditions on his consultancy set out below

Whether these conditions will sufficiently mitigate the risks presented by each future commission he wishes to take up under this consultancy, will depend on the specific details of each piece of work. Further conditions may be appropriate.

Commission with PA Consulting

While PA Consulting has some high value contracts with the MOD, to support IT; equipment; and leadership development, the Committee took into account that Sir Dick had no involvement with these contracts; and no involvement in commercial or industrial activities in his recent posts. The MOD also confirmed Sir Dick had no recent contact with PA Consulting, nor with the Qatari Emiri Air Force, while working at MOD.

Sir Dick stated he does not expect to have contact with the MOD whilst working with PA Consulting, however, the Committee considered that given his previous senior role and the fact that PA Consulting specialises in defence and security, Sir Dick could be seen to have significant influence within the MOD, which could provide PA Consulting with an unfair advantage over its competitors. The Committee has therefore imposed a condition preventing Sir Dick from advising PA Consulting on the UK defence market.

With regard to the specific work Sir Dick has described with PA Consulting, the Committee does not consider this presents any particular risks of impropriety. The Committee noted that the piece of work Sir Dick has been asked to undertake with the Qatar Emiri Air force, to improve safety during the purchase of a new fighter aircraft fleet, is aimed at reducing risk-to-life and the protection of valuable equipment.

Recommendation

The Secretary of State for Defence accepted the Committee's recommendation that Sir Dick's independent consultancy be made subject to the following conditions:

- he should not draw on (disclose or use for the benefit of himself or the organisations to which this advice refers) any privileged information available to him from his time in Crown service;
- for two years from his last day in Crown service, he should not become personally involved in lobbying the UK Government on behalf of his clients, or their partners or subsidiaries. He should not make use, directly or indirectly, of his contacts in Government and/ or Crown service to influence government policy, or secure business or funding on their behalf;

- for two years from his last day in Crown service, he should not undertake any work as a consultant that involves providing advice to any company or organisation on the terms of, or with regard to the subject matter of, a bid or contract relating directly to the work of the UK MOD or its trading funds; and
- for two years from his last day in Crown service, before accepting any commissions and/ or before extending or otherwise changing the nature of any commission, he should seek advice from the Committee. The Committee will decide whether each commission is consistent with the terms of the consultancy and consider any relevant factors under the Business Appointment Rules.

In addition, the commission with PA Consulting, be subject to a further condition:

- for two years from his last day in Crown service, he should not provide advice to PA Consulting, its partners, subsidiaries or clients, in relation to the UK defence market.

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 Sir Dick takes up this appointment (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 Sir Dick informs us if he proposes to expand or otherwise change the nature of this role, depending on the circumstances, it may be necessary for him to make a fresh application.

Once this appointment has been taken up or announced, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

Yours sincerely

Sarah Parkington
Committee Secretariat