



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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1. You approached the Committee about taking up an appointment as the chair of the supervisory board of Kohlgartenstrabe 15 Verwaltungs AG.

The Committee's role and remit

2. As you will be aware, it is the Committee's role to advise on the 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:

- 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
- an employer could make improper use of official information to which a former Minister has had access; or
- there may be cause for concern about the appointment in some other particular respect.

3. 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.

4. It is not the Committee's role to pass judgment on whether an appointment is appropriate or suitable in any other regard.

Appointment details

5. You seek to take up an appointment as the chair on the supervisory board for Kohlgartenstrabe 15 Verwaltungs AG (KV), the parent company is Hettstedt Industrie Park Besitzgesellschaft GmbH. KV is a company that deals with the purchasing, distribution,

marketing, management and resale of real estate. It was a component of the company Mansfelder Kupfer Und Messing GmbH. The main industrial part of this business was sold and KV is what remains. This is a part-time, paid appointment with a work commitment of 7 days per year. You noted you obtained this role through a formal approach from the company. You further stated that in your new appointment you are unlikely to have any contact or dealings with HMG or your former department.

6. You informed the Committee you had no official dealings with KV in office. Further, you are not aware of any relationship between your former department and KV; had no dealings with its competitors or access to commercially sensitive information about competitors. The Permanent Secretary for the Department for Exiting the European Union (DExEU) was consulted and confirmed to the Committee: it has no relationship with KV and you had no official dealings with KV or its competitors while in ministerial office. DExEU also told the Committee that due to the seniority of your former role as Secretary of State of DExEU you did have access to a broad range of information including sensitive information. However, due to the amount of time that has passed since your last day in office it is unlikely that any information you did gain would be offer any unfair advantage to KV.

The Committee's consideration

7. The Committee¹ noted the information provided by both you and your former department, that while in office you had no contact with KV and that your former department also had no official dealings with KV. The Committee therefore assessed the risk of this appointment being seen as a reward for decisions made in office as low.

8. DExEU confirmed, as it has done in relation to previous applications for advice, that by virtue of your role you will have had access to a wide range of y sensitive information. However, The Department views this risk as low due to the significant time that has passed and noted it was unlikely any information gained would benefit KV unfairly. The Committee agrees with this point and considered it was significant that, in the 15 months which have passed since you left office, Brexit negotiations have continued, there has been a change in administration and policy is continuing to evolve. As such, it is most likely the information you had access to has become public; or will no longer be relevant as the process of the UK exiting the EU alters and progresses. Further, as with all former ministers, you are precluded from drawing on any privileged information from your time in office which may have the potential to provide a competitive advantage.

9. When considering your application the Committee took into account that you do not expect your role as Chairman to involve direct contact with Government. However, there is a risk you could be seen to offer an unfair advantage by virtue of your time in office. The Committee would therefore draw your attention to the lobbying ban below to make clear that it would be inappropriate for you to make use of your contacts in Government/Whitehall to provide KV with an unfair advantage over its competitors. DExEU do not have any particular concerns about this appointment and the Committee considers any remaining risks are adequately mitigated by the conditions below.

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

10. Taking into account the specific facts in this case, in accordance with the Government's Business Appointment Rules, the Committee advises the appointment be subject to the following conditions:

- that 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 Kohlgartenstrabe 15 Verwaltungs AG, or its subsidiaries, nor should you make use, directly or indirectly, of your contacts in Government to influence policy or secure business on behalf of Kohlgartenstrabe 15 Verwaltungs AG, or its subsidiaries.

11. 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 or otherwise.

12. 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.*"

13. The Committee also notes that in addition to the conditions imposed on this appointment, there are separate rules in place with regard to your role in the House of Commons.

14. I should be grateful if you would inform us as soon as you take up this appointment, 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 Ministerial Code. Similarly, I should be grateful if you would inform us if you propose to extend or otherwise change your role with the organisation as depending on the circumstances, it might be necessary for you to seek fresh advice.

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

The Baroness Browning

Rt. Hon. David Davis MP

