



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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June 2020

1. You approached the Committee seeking advice on taking up an appointment with Careers & Enterprise Company.

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.

The application

5. You seek to join the Careers & Enterprise Company (CEC) as a Non-Executive Director, an unpaid part-time role.
6. You say CEC supports schools in England with careers activity and to build links with businesses and offer opportunities to its pupils. The website says its role is to link schools and colleges to employers and to help it deliver world-class careers support for young people. You said you will be a Non-Executive Director on the

main Board of the CEC and likely to be a member of at least one Board Sub-Committee too. You do not expect your role to involve contact with government.

7. You informed the Committee that in your most recent ministerial role at the Department for Media, Culture and Sports (DCMS), you neither met, nor made any commercial or contractual decisions with or on the CEC while in office. Nor did you have any involvement in policy development or decisions. You did note that during your time at the Department for Education (DfE) between 2014 and 2016, you helped to get CEC started.
8. DCMS was contacted regarding your application. It confirmed your statements and said it does not consider there are any reasons not to support this appointment.
9. DfE was also contacted regarding your application. DfE said you met with CEC while in office and would have been involved in relevant policy. It said you received advice relating to careers policy during your tenure as Secretary of State, but this information would no longer be in date or relevant.
10. DfE also said in 2014, you recommended to the Prime Minister and Chancellor that a new employer-backed careers company (now the CEC) be created to improve the quality and coverage of careers provision for young people. This was on the basis there was a gap in the market for a central, co-ordinating body that could provide support and leadership to schools and colleges and support links between education and employers. You announced the creation of the new careers and enterprise company for schools in December 2014. DfE said it grant funds CEC on an annual basis through a direct award grant. The terms of awards are codified in grant funding agreements, which are signed and agreed to by DfE Senior Civil Servants and CEC's Senior Leadership Team. Grant funding agreements are not signed at ministerial level. However, as it is DfE spend, officials seek ministerial approval of policy and activity proposals to be delivered by CEC and associated costs of delivery prior to agreeing CEC's grant funding agreements.
11. In regards to competitors DfE said CEC was established to fill a gap in the market, so it does not regard CEC as having any direct competitors. Furthermore, as CEC was (and is) funded via a direct grant award, you would not have received any commercially sensitive information via a competitive bidding process. DfE has no concerns over this appointment.

The Committee's consideration

12. The Committee¹ noted that you were involved in the process behind the establishment of CEC. It carefully considered whether it is reasonable for a former Minister to take on a role with an organisation they were instrumental in creating through their ministerial post; and the Committee has given consideration to the risk, under the Business Appointment Rules, that this appointment may be seen as a reward for your time in office. This organisation was established as a way to improve the quality and coverage of careers provision for young people. It has now been over four years since you were a Secretary of State at DfE - meaning there has been a significant gap between your responsibility in this area and you taking up this role. Further this is an unpaid role and in these circumstances, it cannot reasonably be perceived you pursued this policy in expectation of this role.

¹ This application for advice was considered by Sir Alex Allan; Jonathan Baume; Dr Susan Liautaud; The Rt Hon Lord Pickles; Richard Thomas; Mike Weir; Lord Larry Whitty and John Wood.

13. Although this role is not related to your most recent role at DCMS, the Committee noted during your time at DfE you will have had access to policy and sensitive information that could provide CEC an unfair advantage. However, the Committee put weight in DfE's comments that this information would no longer be relevant and noted the **significant** amount of time since you left your role at DfE. Therefore, the Committee considered there should be no reasonable concern that CEC would gain an unfair advantage as a result of your time in office.
14. As former Secretary of State for Education there is an inherent risk you would have developed contacts which may provide an unfair advantage to any organisation operating in the education sector. The Committee would like to bring to your attention to the below conditions which include prohibiting you from advising on a bid or contract in relation to the UK Government, and lobbying contacts you may have gained across Whitehall or within Government. However the Committee note this is not your intention as Non-Executive Director and these restrictions are in keeping with your role as described.
15. Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with **Careers & Enterprise Company** be subject to the following conditions:
- you should not draw on (disclose or use for the benefit of yourself or the persons or organisations to which this advice refers) any privileged information available to you from your time in Ministerial office;
 - for two years from your last day in Ministerial office, you should not become personally involved in lobbying the UK Government or its arms length bodies on behalf of Careers & Enterprise Company (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the Government or its arms length bodies and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Careers & Enterprise Company (including parent companies, subsidiaries, partners and clients); and
 - for two years from your last day in Ministerial office you should not undertake any work with Careers & Enterprise Company (including parent companies, subsidiaries, partners and clients) that involves providing advice on the terms of, or with regard to the subject matter of a bid with, or contract relating directly to the work of, the UK Government or its arms length bodies.
16. 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 as a member of the House of Lords.
17. 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.
18. 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."

19. 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. 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.
20. Once this appointment has been publicly announced or taken up, we will publish this letter on the Committee's website and in the relevant next annual report.

The Rt Hon Lord Pickles

The Rt Hon the Baroness Morgan of Cotes