



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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1. You sought the Committee's advice on taking up a commission with Kuwait Investment Office, London under your independent consultancy, Matrix Partners Ltd.

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:

- 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.

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 sought the Committee's advice on taking up a paid, part time role with Kuwait investment Office, London (KIO), under your independent consultancy. KIO was established in 1953 and is part of the Kuwait Investment Authority¹. The website says '*..it is the world's first sovereign wealth fund*'. Based in the City of London, the KIO actively manages funds on behalf of the State of Kuwait for the benefit of the future generations of Kuwait. KIO is a long term global investor in equities, fixed income, and alternative investments including infrastructure. You said you consider KIO to be more similar to a foreign government than a commercial organisation and your role will be to provide strategic advice on economic challenges and investment opportunities to the senior management team of this Sovereign Wealth Fund.

6. You informed the Committee that it was possible KIO were invited to attend round table style events for overseas investors that you attended or addressed. You also said you met the Ambassador of Kuwait (also the Dean of the diplomatic corps in London) at social and formal State occasions as Chancellor and Foreign Secretary. You told the Committee you were not involved in any policy decisions or developments that could be seen to affect KIO. You stated there is no relationship between KIO and your former department, HM Treasury (HMT). As such you confirmed you did not meet with competitors of KIO nor have access to sensitive information regarding these competitors.

7. The Permanent Secretary at HMT was consulted about this application. HMT confirmed your above statements and that it has no relationship with KIO. It further noted you attended a couple roundtable events where Kuwait's ambassador was present, such as President Trump's visit to the UK and Asian Awards. It also said you may possess some sensitive information, but this would apply to any role. HMT confirmed it is not aware of any risk associated with you working with the KIO and has no concerns regarding this work.

8. The Foreign and Commonwealth Office (FCO) was also contacted regarding this application. It confirmed it had no concerns on your role with KIO.

The Committee's consideration

9. The Committee² noted this work is consistent with the description of your consultancy which you described as a vehicle for development of an advisory and consultancy business, offering advice to companies and organisations in the UK and overseas.

10. When considering this application, the Committee took into account that you did attend events where Kuwait's ambassador was present, such as President Trump's visit to the UK and Asian Awards. However it noted you had no involvement in policy decisions specific to,

¹ 1953 the Kuwait Investment Board (KIB) was established and headquartered in the City of London with a mandate to invest surplus oil revenue and reduce Kuwait's reliance on a single finite resource. This was replaced by the Kuwait Investment Office (KIO) The Kuwait Investment Authority (KIA) was then established in 1982 as KIO's parent organization. KIA's main functions include managing the State's Reserve, the Reserve Fund for Future Generations (intergenerational saving platform for the State of Kuwait) and any other funds entrusted to the KIA by the Minister of Finance.

² 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.

nor the awarding any funding or contracts to, KIO. Therefore, the Committee considered there is no reason it might be perceived this appointment is a reward for decisions made or actions taken from your time in office.

11. The Committee was mindful that any Chancellor inevitably is involved in policy and decision making that impacts widely on the UK economy and almost all sectors. The Committee noted the perceived risk you could offer an unfair insight to KIO in regards to the UK economy as you may possess some sensitive information. However, the Committee gave weight to HMT's view that it has no concerns in you taking up this commission and sees no risk attached to you working with KIO. Further, it recognised the amount of time that has passed since you were in office, and the significant changes in the economic landscape since, which reduces the significance of the information you had access to at the time.

12. The Committee also noted that during your time as Chancellor you would have led on Brexit related policy and 'no-deal' planning. The Committee recognised that negotiations are still ongoing, with respect of the UK's future relationship with the UK, so there could be a risk, however small, you might offer an unfair advantage with regard to your insight here. Therefore, the Committee would draw your attention to the ban on use of privileged information that applies to all former Ministers. In this context, it would remind you this prevents you from advising on matters related to the UK's exit from the EU insofar as it relates to your time in office, including ongoing negotiations between the UK and other countries where it would draw on privileged insight.

13. Given your role and profile as the former Chancellor, there is a risk it could be perceived your contacts might assist KIO. The Committee considered the conditions attached to your consultancy prevent improper use of contacts to the unfair advantage of KIO.

14. Taking into account the above, in accordance with the Government's Business Appointment Rules, the Committee advises your work with **Kuwait investment Office, London** be subject to the same conditions as your independent consultancy:

- that you should not draw on (disclose or use for the benefit of yourself or the organisation to which this advice refers) any privileged information available to you from Ministerial office. In the context of this general provision, the Committee considers you should specifically avoid giving those you advise under your independent consultancy, or its subsidiaries, partners or clients, privileged insight into the Brexit related issues, insofar as it as it pertains to the negotiating position of the UK Government and other parties to the negotiations prior to the date upon which you left ministerial office, whether generally or regarding fiscal matters;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the Government on behalf of those you advise under your independent consultancy (including parent companies, subsidiaries and partners). Nor should you make use, directly or indirectly, of your government and/or Ministerial contacts to influence policy, secure funding/business or otherwise unfairly benefit those you advise under your independent consultancy (including parent companies, subsidiaries and partners);

From the Chair

- for two years from your last day in ministerial office, you should not become personally involved in lobbying contacts you have developed during your time in office and in other Governments and organisations for the purpose of securing business for any company or organisation (including parent companies, subsidiaries and partners);
- for two years from your last day in ministerial office, you should not provide advice to any company or organisation 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; and
- for two years from your last day in ministerial office, before accepting any commissions for your independent consultancy and or/before extending or otherwise changing the nature of your commissions, you 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 .

15. 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 Ministerial Code/ Civil Service Code or otherwise.

16. 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.*"

17. I should be grateful if you would inform us as soon as you take up this consultancy and/ or commission, 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.

18. Once this consultancy is in operation, or has been publicly announced, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

The Rt Hon Lord Pickles

The Rt Hon Philip Hammond

From the Chair