

*From the Chair*



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

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1. You approached the Committee seeking advice on taking up an appointment with Pool Reinsurance Company Limited (Pool Re) as a Member of the Advisory Group.

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 Pool Re as a Member of the Advisory Group which will include making contributions at the regular meetings to the strategic direction of the company. This is a paid part-time role, involving 3 days of work per year.

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6. You informed the Committee you had no official contact with Pool Re, contractual or otherwise; made no decisions involving Pool Re and did not have access to commercial information regarding its competitors.
  - The Department for Work and Pensions and the Home Office were contacted regarding this application. The departments confirmed the information you provided. The Home Office told the Committee that Pool Re is one of the Home Office's stakeholders on terrorism-related issues and one of its directorates meets regularly with Pool Re. Further, the Home Office has recently developed multi-million pound projects with Pool Re to create greater commercial incentives to reduce terrorism-related risks.
7. Neither department had any concerns. The Home Office highlighted it has been nearly two years since you left as Home Secretary in April 2018 and said the appointment should be made subject to the ban on lobbying the Government and prohibiting use of privileged information.

The Committee's consideration

8. The Committee<sup>1</sup> took into account that whilst this role is unrelated to your most recent role at DWP, it is directly related to your time as Home Secretary, which ended almost two years ago. Whilst the Committee recognises that you would have had overall responsibility for relevant policy areas during your time as Home Secretary, the Committee took into account that both departments confirmed that most recently, within the last two years, you did not meet with, and made no policy decisions nor contractual or commercial decisions regarding Pool Re. Therefore, it considered the risk you were offered this part time role on the Advisory Board as a result of decisions made in office is low.
9. When considering your application, the Committee noted that Pool Re are one of the Home Office's stakeholders on terrorism-related risks and have recently developed multi-million pound projects with them to create greater commercial incentives to reduce terrorism-related risks. The Committee noted you did not have any involvement on insurance or reinsurance and terrorism within the last two years and noted as highlighted by the Home Office it is nearly two years since your departure from the department in April 2018. However, the Committee noted that due to your position and seniority there are inherent risks you would have developed contacts, and incurred wider general information of a privileged nature which may be perceived to provide any business with an unfair advantage.
10. The Committee agreed with the Home Office that the ban on lobbying the UK Government and a prohibition of using privileged information are necessary. However, it also considered it necessary to impose a ban on advising on bids and contracts with the UK Government. This makes it clear that, whilst this is not your intention as an Advisory Board Member, it would be inappropriate for you as a former Secretary of State, to become involved in any negotiation with the UK Government.

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<sup>1</sup> This application for advice was considered by Sir Alex Allan; Jonathan Baume; Baroness Angela Browning; Terence Jagger; Richard Thomas; Mike Weir; Lord Larry Whitty and John Wood. Dr Susan Liautaud was unavailable.

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11. Taking into account the specific facts in this case, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with Pool Reinsurance Company Limited be subject to the following conditions:
  - 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;
  - for two years from your last day in Ministerial office you should not undertake any work with Pool Reinsurance Company Limited or its subsidiaries that involves providing advice on the terms of a bid or contract with, or relating directly to the work of, the UK Government; and
  - for two years from your last day in Ministerial office, you should not become personally involved in lobbying the UK Government on behalf of Pool Reinsurance Company Limited (including its subsidiaries; nor should you make use, directly or indirectly, of your contacts in the Government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Pool Reinsurance Company Limited (including subsidiaries).
12. 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.
13. 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.*"
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 in the relevant next annual report.

*From the Chair*

The Baroness Browning

Rt Hon. Amber Rudd