

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/8, 1 Horse Guards Road, London, SW1A 2HQ

Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk

Website: <http://www.gov.uk/acoba>

April 2020

1. You approached the Committee about taking up an appointment as a Senior Advisor at Darktrace.

The Committee's role and remit

2. It is the Committee's role to advise on any 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.
3. 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.
4. 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.
5. It is not the Committee's role to pass judgment on whether an appointment is appropriate or suitable in any other regard.

Appointment Details

6. You state Darktrace offers cyber defence for corporate and public sector clients. Its website states Darktrace is recognized today as the world's leading AI company for cyber security. It is a privately owned company with many investors including Invoke Capital. The website states it works in a number of industries including retail, finance, governments and the defence sector.

7. You wish to take up a paid, part-time role with Darktrace, as a Special Advisor and you say you will be joining other members of the Senior Advisory Board which include Lord Evans of Weardale. You state you will be advising on the global security landscape, specifically in the cyber security area. You said you will be discussing with the Board your views on cyber threats. As a member of the Advisory Board, you will be discussing the strategic direction of the business and of the need to adapt and develop cyber security products to meet the evolving threat. You confirmed you do not expect to have contact with the Government in this role.

8. With regard to your time at the department for Work and Pensions (DWP), you confirmed that you did not meet with Darktrace; you hold no sensitive information related to Darktrace or its competitors and that you were not involved in any specific policy decisions or developments that could have affected Darktrace.

9. In regards to your time at the Home Office you said although you had no dealings with Darktrace or their competitors, cyber security was an area that you had oversight in through your Home Secretary role. However you say since resigning as Home Secretary almost two years ago, you have not had any engagement in this sector in your subsequent role as Secretary of State for Work and Pensions or as a backbencher. You said your proposed start date, 1st May is deliberately more than two years since you resigned as Home Secretary.

10. DWP confirmed that while in office you did not meet with Darktrace and was not involved in relevant policy decisions or development. It did state that it has had a contract with the organisation. DWP conducts market engagement activity and holds conversations with suppliers in order to keep up to date with developments across all sectors of the IT Security market. However, DWP did state that due to the low value of the contract it means that it would not have been submitted for Ministerial approval. Further it confirmed no commercially sensitive information about Darktrace, or any of its competitors, would have been shared with Ministers. DWP have no concerns over this appointment.

11. The Home Office was also contacted in regards to this application, it confirmed it had no record of you meeting with Darktrace while in office. It further said that it would be too complex to identify if you had any meetings with competitors as what it defines as a competitor is complicated, however it does not have concerns. It said while you were Home Secretary you would have been privy to information about the Government's response to cyber security and threats at the time and would have set policy in this space. However, it confirmed it does not have any concerns with the appointment, particularly in light of the time that has passed.

The Committee's consideration

12. When considering your application, the Committee¹ considered whether this appointment could be perceived as a reward for decisions taken in office. The Committee noted that you did not meet with Darktrace while in office at DWP or Home Office. While the

¹ Sir Alex Allan; Baroness Angela Browning; Richard Thomas; Mike Weir; Lord Larry Whitty, and John Wood. Johnathan Baume was unavailable and Dr Susan Liautaud was recused.

Committee did note that you were involved in setting policy for the cyber security sector while at the Home office this policy will have affected the whole sector and not a specific company. DWP do have a contractual relationship with Darktrace but you were not involved in this decision and it was not brought to your attention due to its low amount. As such, the Committee did not consider it could reasonably be perceived you were offered this role as a reward for decisions made or actions taken in office.

13. The Committee noted that your former department, DWP, does not operate in the same field as your prospective employer so the risk that you had access to any privileged information regarding policy or competitors that could unfairly benefit Darktrace, during this time, is low. However, it did note as Secretary of State at the Home Office you will have been involved in policy in the cyber security sector and had access to sensitive information regarding the government's response to cyber security and threats at the time. However, the Committee put weight in the Home Office's view that the amount of time that has passed since you held this role acts as a mitigating factor. The fast paced nature of this sector means the risk that the information you had access to, while at the Home Office, providing an unfair advantage to Darktrace is low. The remaining risk will be sufficiently mitigated by the conditions attached to all former ministers which prevent the use of privileged information gained in office.

14. As with any former Minister, you will have contacts within the UK Government. This is particularly relevant as Darktrace has contracts with the government and in particular your former department, DWP. It may be perceived that you could use your contacts within the government to help Darktrace secure business. Therefore, the Committee would draw your attention to the conditions below which prevent you from making use of contacts gained during your time in office to the unfair advantage of Darktrace; and the ban on you advising Darktrace in relation to a bid or contract with the UK Government.

15. Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with **Darktrace** 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;
- for two years from your last day in Ministerial office, you should not become personally involved in lobbying the UK Government on behalf of Darktrace (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 Darktrace (including parent companies, subsidiaries, partners and clients); and
- for two years from your last day in office you should not advise Darktrace or its partners or clients on the terms of, or with regard to the subject matter of, a bid or contract with, or relating directly to the work of the UK Government or its arm's length bodies.

16. 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.

17. 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."

18. 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; and 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.

19. I should be grateful if you would inform us as soon as you take up this role, 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 Rules and the Ministerial Code.

20. Please also inform us if you propose to extend or otherwise change the nature of your role as, depending on the circumstances, it may be necessary for you to make a fresh application.

21. Once the 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

The Rt Hon Amber Rudd