



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 Electrocomponents plc as Non Executive Chairman.

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 take up a paid, part time role at Electrocomponents plc (Electrocomponents) as Non Executive Chairman. You said Electrocomponents is a distributor and solutions provider for industrial customers and suppliers of industrial equipment and facilities. The website states it '*supports customers with a broad range*

From the Chair

of industrial and electronic products and solutions that are essential for the successful operation of their businesses'

6. You said you would be responsible for leadership of the board. You will need to set the board's agenda and ensure the directors discussed and agreed strategy for the business and oversees its implementation. To provide support, counsel and challenge to the CEO and Executive Leadership Team you said you will need to engage actively with non-executive directors both during and outside board meetings. You do not expect this role to involve contact with Government.
7. You informed the Committee you were not aware of any meetings or involvement with Electrocomponents. You confirmed you made no decisions involving Electrocomponents and did not meet with competitors of Electrocomponents nor did you have access to commercial information regarding their competitors.
8. Your former department, Department for International Trade (DIT), was contacted regarding this application. DIT informed the Committee that you did meet with Electrocomponents once during your time as a Minister at DIT. This was at an event delivered by the CBI to discuss the Export Strategy. The list of attendees included, Airbus, Amazon UK, BT Group, HSBC and Scotch Whisky Association. The objectives of this event were:
 - to use this opportunity to address senior UK business leaders on the export strategy and where input from business would be helpful to support next steps;
 - to highlight DIT's role and vision in relation to EU exit and the negotiation of future trade agreements; and
 - to reinforce the Department's commitment to engagement with business to inform our trade policy.
9. The department further stated it has not had any commercial / buying relationship with Electrocomponents. But said DIT officials have had a number of interactions with subsidiaries of Electrocomponents. For example DIT officials in Poland met with RS Components, a subsidiary of Electrocomponents on 13 July 2020 by video conference. This was an introductory meeting. The department further confirmed you were not involved in any decisions that would have impacted Electrocomponents and you do not hold any knowledge of unannounced Government policy that could give the organisation an unfair advantage.
10. DIT said based on the details given above and the period of 16 months since Baroness Fairhead left the Department, it would be unlikely that any concerns would arise if you were to take up this position with Electrocomponents.

The Committee's consideration

11. The Committee¹ considered that while you had a meeting which Electrocomponents attended, many other businesses, from different industries, also attended this meeting. Further, the departments confirmed you made no policy or contractual decisions regarding Electrocomponents while in office. There is nothing to suggest you made any decisions whilst in office with the expectation of a future role as such the Committee considered the risk you were offered this role for decisions made in post as low.

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.

From the Chair

12. The Committee noted that whilst this role is unrelated to your time in office, there may be a risk around the nature of the information you had access to by virtue of your ministerial portfolio. The Committee noted that as Minister for State for Trade and Export Promotion you were exposed to a broad range of insight and information, including policy on export promotion. However, the Committee noted the amount of time that has passed since you were in office (16 months) and the department's comments that you do not have access to sensitive information that could unfairly benefit Electrocomponents. Further, the Committee would draw your attention to the condition below which makes it clear that it would be improper for you to use privileged information to unfairly benefit Electrocomponents.
13. Given your seniority, the Committee noted you would have had access to a wide range of contacts across Whitehall and within the Government. The Committee would therefore like to draw your attention to the lobbying ban below which makes it clear that you must not make use of your contacts gained in office to the unfair advantage of Electrocomponents. Although the department confirmed it has no contractual relationship with Electrocomponents, it is a stakeholder in the department so there is a risk it could seek to work with the department in the future. As such the Committee has imposed a ban on providing advice on the terms of a bid or contract relating directly to the work of the UK Government.
14. Taking into account the specific facts in this case, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with **Electrocomponents plc** 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 become personally involved in lobbying the UK Government on behalf of Electrocomponents plc (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the Government and/or Ministerial contacts to influence policy, secure business/funding or otherwise unfairly advantage Electrocomponents plc (including parent companies, subsidiaries, partners and clients); and
 - for two years from your last day in office you should not advise Electrocomponents plc 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.
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 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.*"

From the Chair

17. 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 Lords
18. 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.
19. 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

Baroness Rona Fairhead