

RACHEL REEVES MP



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon Lord Pickles
Advisory Committee on Business Appointments
Room G/8
1 Horse Guards Road
London
SW1A 2HQ

Friday 2nd April 2021

Dear Lord Pickles,

I am writing to you today about the Advisory Committee on Business Appointments (ACOPA), and the urgent need to strengthen the work the body is meant to do, in light of revelations that the former head of UK government procurement failed to obtain advice from ACOPA before becoming a director of Greensill Capital in August 2016.¹

In the past, we have seen support expressed by Conservative MPs and Ministers around ACOPA and ethos of the body.² I also note, as Chair of ACOPA, your own view from earlier this month that openness and transparency in government is important:

*“Prime Ministers and ex-Prime Ministers are powerful people but it’s important that the system is resistant to powerful people...It is important that these things should be transparent and in the open.”*³

But despite this spirit, and the apparent trust in ACOPA from the top of government, the body faces barriers in scrutinising MPs and Ministers in the way it was set up to do, and appears not to be given the support it needs to enforce the high standards of conduct outlined in its ethos.

Gaping holes in government accountability and transparency have extended to ACOPA, and this is of increasing importance as the Greensill scandal continues to grow, with a number of investigative accounts examining the level of access that Lex Greensill, head of Greensill Capital, was given to the heart of Government.

These include revelations around a business card dating from 2012 naming Lex Greensill as a ‘Senior Advisor’ to the Prime Minister’s Office⁴, reports into his subsequent role as a Crown Representative⁵ and reports that the former head of UK government procurement failed to obtain advice from ACOPA before becoming a director of Greensill Capital in August 2016 – eight months after leaving the government.⁶

¹ <https://amp.ft.com/content/93561de9-6d74-4267-bcff-9759b4b1e01c>

² The current Chancellor of the Duchy of Lancaster Michael Gove MP underlined in 2017 the importance of “respecting the independence” of the body. Chloe Smith MP, a current Cabinet Office Minister, said in 2018 “the Government’s view remains that the current rules strike the right balance between preventing conflicts of interest and recognising the necessary freedom of individuals to earn a living without unreasonable hindrance after they leave public service.”

³ <https://www.youtube.com/watch?v=1ztGUOOhU8o>

⁴ <https://www.theguardian.com/politics/2021/mar/30/business-card-puts-greensill-founder-at-the-heart-of-downing-street>

⁵ <https://www.thetimes.co.uk/article/david-cameron-and-the-toxic-banker-lex-greensill-the-exclusive-inside-story-sx09g098s>

⁶ <https://amp.ft.com/content/93561de9-6d74-4267-bcff-9759b4b1e01c>

Member of Parliament for Leeds West

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It also appears that an employee exception in the Lobbying Act⁷ means that David Cameron's role as an in-house lobbyist removes the scrutiny which lobbyists operating as consultants out-of-house face, allowing him to use his power and influence to gain unparalleled access for his employers to the highest offices in government and lobby on their behalf.

ACOBA, despite its role in scrutinising business appointments, and the clear business links between David Cameron and Greensill Capital, seems unable to do much about this.

I am writing to you today to ask you:

1. Given your public commitment to open and transparency, and the fallout from the Greensill scandal, how do you intend to strengthen ACOBA so it can catch and prevent future conflicts of interest? What barriers are preventing this happening at the moment?
2. How will ACOBA review the access both David Cameron and Lex Greensill were given to the heart of government? What changes will be made to ensure this doesn't repeat itself?
3. Do you believe the government should make changes to the scope of the register of lobbyists, and work more closely with ACOBA to actively prevent the growing conflicts of interest stories and cronyism we have seen over the last year?

I am also writing with an invitation to work together on improving the strength of ACOBA in a cross-party way.

You may recently have seen that Labour have proposed to set up an Integrity and Ethics Commission, to increase transparency and accountability at the heart of government, and address concerns on everything from lobbying to public sector procurement to cronyism.

I would be keen to hear your thoughts on this and how such a body could also improve the effectiveness of ACOBA.

I look forward to your response on these matters.

Yours sincerely,

A handwritten signature in cursive script that reads "Rachel Reeves".

Rachel Reeves MP

Shadow Chancellor of the Duchy of Lancaster

⁷ Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 says that a person must not carry on the business of consultant lobbying unless the person is entered in the register of consultant lobbyists, or an exception in Schedule 1 to the Act applies. Schedule 1, Paragraph 1 contains an exception, under paragraph 10, that states that employees are not required to register lobbying activity conducted on behalf of their employer. This is the exception that David Cameron sought to rely on, after it was found that he made communications to the Government on behalf of Greensill Capital (UK) Limited, Greensill Capital Management (UK) Limited and associated companies (together "Greensill").