



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: Lee Cain, commission with Elliott Advisors (UK) Limited under your Independent Consultancy.

1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former Crown servants (the Rules) on taking up a role with Elliott Advisors (UK) Limited (Elliott Advisors) under your independent consultancy (Charlesbye). The material information taken into consideration by the Committee is set out in the annex.
2. The purpose of the Rules is to protect the integrity of the government. Under the Rules, the Committee's remit is to consider the risks associated with the actions and decisions made during your time in office, alongside the information and influence you may offer Elliott Advisors.
3. The Committee has advised that a number of conditions be imposed to mitigate the potential risks associated with this work under the Rules; this does not imply the Committee has taken a view on the appropriateness of this appointment in any other respect.
4. The Rules¹ set out that Crown servants must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former Crown servants are expected to uphold the highest standards of propriety and act in accordance with the 7 Principles of Public Life.

The Committee's consideration of the risk presented

¹ Which apply by virtue of the Civil Service Management Code, The Code of Conduct for Special Advisers, The Queen's Regulations and the Diplomatic Service Code

5. The Committee² considered this commission to be consistent with the description of your consultancy which you described as offering '*strategic counsel to CEOs and senior executives - giving advice on corporate strategy, crisis management, reputational safeguarding and effective communication campaigns*'.
6. When considering this application, the Committee noted there is no relationship between Elliott Advisors and the Cabinet Office. It also noted you did not meet with, nor make any decisions specific to, Elliott Advisors whilst you were in office. Therefore, the Committee considered there is no reason it might be perceived that this appointment is a reward for decisions made or actions taken from your time in government service.
7. As the former Director of Communications at No. 10, the Committee noted you would have had access to privileged information which may be seen to benefit any company you choose to join. The Committee recognised any company operating in the UK and internationally may be considered to be gaining from your insight at the centre of government that is unavailable to its competitors. However, the Committee considered it significant that:
 - a. this is a general risk, you had no specific responsibilities for this sector in office as confirmed by No.10;
 - b. 12 months have passed since you had access to information in office; and
 - c. you have an ongoing duty of confidentiality.
8. The Committee noted that your seniority and influence at the centre of the government could be perceived to unfairly assist Elliott Advisors. However, the Committee took into account that your role would not involve contact with government.

The Committee's advice

9. The Committee determined the risks above can be appropriately mitigated by the conditions that apply to your consultancy, below.
10. The Committee advises, under the Government's Business Appointment Rules, that your role with **Elliott Advisors (UK) Limited** should be subject to the same conditions which were previously applied to your independent consultancy:
 - you should not draw on (disclose or use for the benefit of yourself or the persons or organisations to which this advice refers) any privileged information available to you from your time in Crown service. In the context of this general provision, the Committee considers you should specifically avoid giving your independent consultancy or its clients, privileged insight based on information from your time in Crown service into Brexit related issues, insofar as it as it pertains to UK's negotiating strategy post its departure from the EU;

² This application for advice was considered by Jonathan Baume; Andrew Cumpsty; Isabel Doverty; Sarah de Gay; Dr Susan Liautaud; The Rt Hon Lord Pickles; Richard Thomas; Mike Weir and Lord Larry Whitty.

- for two years from your last day in Crown service, you should not become personally involved in lobbying the UK government or any of its Arm's Length Bodies on behalf of those you advise under your independent consultancy (including parent companies, subsidiaries, partners and clients); 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 those you advise under your independent consultancy (including parent companies, subsidiaries, partners and clients);
 - for two years from your last day in Crown service you should not provide advice to any company or organisation 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 any of its Arm's Length Bodies; and
 - for two years from your last day in Crown service, 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.
11. 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.
 12. 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."*
 13. As with all Special Advisers, the Committee makes this recommendation on the understanding that, if you have not already done so, you must confirm in writing to your department that you recognise that you continue to be bound by the provisions of the criminal law (including the Official Secrets Act) which protect certain categories of information, and by your duty of confidentiality owed to the Crown.
 14. You must inform us as soon as you take up this work, or it is announced you will do so.
 15. 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.

16. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website.

Yours Sincerely,

Isabella Wynn
Committee Secretariat

Annex - Material information

The role

1. The website states Elliott Advisors (UK) Limited is an affiliate of Elliott Investment Management L.P. Elliott Investment Management L.P. is one of the oldest fund managers. The website states the firm employs a multi-strategy trading approach that encompasses a broad range of strategies, including: equity-oriented, private equity and private credit, distressed securities, non-distressed debt, hedge/arbitrage, real estate-related securities, commodities trading and portfolio volatility protection. Elliott Advisors is a London-based advisor to Elliott Investment Management. It operates as an investment management company serving customers in the United Kingdom.
2. Mr Cain said he will provide senior strategic advice and support, with no contact with government.

Dealings in office

3. You told the Committee you did not meet with Elliott Advisors while in office and there is no known relationship between the Cabinet Office and Elliott Advisors. Further, you said you:
 - a. did not have any involvement in any relevant policy development or decisions that would have affected Elliott Advisors
 - b. had no commercial or contractual responsibilities relating to Elliott Advisors; and
 - c. did not meet with competitors of Elliott Advisors nor have access to sensitive information regarding competitors.

Department Assessment

4. The Cabinet Office and No.10 confirmed you had no official dealings with Elliott Advisors and confirmed you had no access to information that could provide an unfair advantage. The departments said that a year had passed since your time in government and that the policy landscape has changed. It confirmed it was highly unlikely that any policy information you had access to would be of benefit to the company.

5. The Cabinet Office recommended the same conditions should be applied as were previously applied to your consultancy.