



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: Richard Fuller MP, former Economic Secretary to His Majesty's Treasury. Paid appointment to join Investcorp Securities Limited.

1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former ministers (the Rules) on an appointment you wish to take up with Investcorp Securities Limited (ISL) as an Advisory Board Member. The material information taken into consideration by the Committee is set out in the annex below.
2. The purpose of the Rules is to protect the integrity of the government. The Committee has considered the risks associated with the actions and decisions made during your time in office, alongside the information and influence you may offer your company. The material information taken into consideration by the Committee is set out in the annex.
3. The Committee's advice is not an endorsement of the appointment - it imposes a number of conditions to mitigate the potential risks to the government associated with the appointment under the Rules.
4. The Ministerial Code sets out that ministers must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former ministers of the Crown, and Members of Parliament, 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 involved

5. The Committee¹ noted there is an overlap with your time in government as Economic Secretary and your proposed role with ISL, an investment fund. His

¹ This application for advice was considered by Jonathan Baume; Andrew Cumpsty; Isabel Doverty; Rt Hon Lord Eric Pickles; Richard Thomas; Mike Weir and Lord Larry Whitty. Sarah de Gay and Dr Susan Liataud were absent.

Majesty's Treasury (HMT) stated there is no relationship with the Investcorp Group and you did not meet with Investcorp Group while in office. Whilst HMT confirmed you were involved in the preparations of the Second Reading of the Financial Services and Markets Bill, it stated this decision would have impacted whole sectors and stated you made no decisions specifically affecting the Investcorp Group. The Committee considered it was important to note you are returning to your former role you held with the same company prior to your ministerial appointment in July 2022 and you are returning to this former career after a short time in government. Therefore, the Committee considered the risk this appointment could reasonably be perceived as a reward for decisions made or actions taken in office is low.

6. As the former Economic Secretary to the Treasury, you may have access to general sensitive information which could benefit a range of organisations, HMT specifically mentioned your involvement in the Financial Services and Markets Bill. . Also as your role involves investment advice, there is a risk you could be seen to offer an unfair insight into viable investment options from your time in government, not readily available to Investcorp Securities Limited's competitors. However, the Committee noted there are a range of mitigating factors that reduce this risk significantly:
 - HMT confirmed the information regarding Financial Services and Markets Bill² has now been published and is in the public domain;
 - It has been over 3 months since you were in office;
 - You are returning to your former career after a short term within government during an administration which in the event was short-term;
 - HMT confirmed it had no concerns regarding your access to information
7. As Economic Secretary to the Treasury, you will have gained contacts within the UK government and internationally - within other governments and private companies. As such, there is a risk your network and influence gained in office might be used to assist ISL unfairly.

The Committee's advice

8. The Committee determined the risks identified in this application can be appropriately mitigated by the conditions below. These make it clear you cannot make use of any privileged access to information, contacts or influence gained from your time in ministerial office to the unfair advantage of Investcorp Securities Limited.
9. The Committee advises, under the government's Business Appointment Rules, that your role with **Investcorp Securities Limited** should be subject to the following conditions:

² <https://commonslibrary.parliament.uk/research-briefings/cbp-9594/#:~:text=The%20Financial%20Services%20and%20Markets,sittings%2C%20on%203%20November%202022.>

- you should not draw on (disclose or use for the benefit of himself or the persons or organisations to which this advice refers) any privileged information available to you from your time in ministerial service;
 - for two years from your last day in ministerial service, you should not become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of Investcorp Securities Limited (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Investcorp Securities Limited (including parent companies, subsidiaries, partners and clients);
 - for two years from your last day in ministerial office, you should not become personally involved in lobbying contacts you have developed during your time in office and in other governments and organisations for the purpose of securing business for Investcorp Securities Limited (including parent companies, subsidiaries and partners); and
 - for two years from your last day in ministerial office, you should not provide advice to Investcorp Securities Limited on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the UK Government
10. The advice and the conditions under the government's Business Appointment Rules relate to your previous role in government only; they are separate to rules administered by other bodies such as the Office of the Registrar of Consultant Lobbyists or the Parliamentary Commissioner for Standards. It is your personal responsibility to understand any other rules and regulations you may be subject to in parallel with this Committee's advice.
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, the ministerial 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." This Rule is separate and not a replacement for the Rules in the House.
13. You must inform us as soon as you take up this role, or if it is announced that you will do so. You must 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.

14. 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 Rt Hon Lord Pickles

Annex - Material Information

The role

1. Investcorp Securities Limited is a wholly owned subsidiary of Investcorp Holdings BSC otherwise known as Investcorp Group. Investcorp is a Bahrain-based company that provides investment and advisory services related to money market operations, corporate, real estate and managed funds. ISL manages a Technology Venture Capital Fund that targets investments in the consumer product, service, information technology and technology, media and telecoms sectors.
2. The website states ISL's '*...original and ongoing role in the Investcorp Group's business is to source potential European-based private equity investments for the Investcorp Group and arrange such investments (including the correlative due diligence, negotiation of acquisition agreements and arrangement of debt facilities). ISL provides business consulting services to European-based private equity companies in which the Investcorp Group invests with the objective of increasing their value during the investment holding period prior to sale. ISL also arranges sales of European-based private equity investments on behalf of the Investcorp Group. ISL is also involved in the Investcorp Group's sourcing of real estate investment opportunities in Western Europe*'.
3. You said in your paid, part-time capacity as Advisory Board Member that you will provide strategic advice on internal matters relating to the role of the Fund, the Fund's strategy, the Fund's investments as well as identifying potential investment opportunities for the Fund. You also said '*the role of Advisory Board Director has always focused on internal matters relating to the role of the Technology Ventures Fund, its strategy and its investment opportunities*'.
4. You said this role has no contact with government and will add a clause to your contract that specifically excludes yourself from lobbying activity, in line with the new House of Commons standards.
5. You said before joining government in July 2022, you were an advisor to the Fund and was a founding partner of the Technology Ventures Group at Investcorp in 2001.

Dealings in office

6. You advised the Committee you did not meet with Investcorp Securities Limited during your time in government. You said you did not have any involvement in policy, regulatory or commercial decisions that would have been specific to the company.
7. You said you were involved in preparations for the Second Reading of the Financial Services and Markets Bill which provides a structure for future regulation for the financial services markets in the UK. You noted this legislation may impact the venture capital industry at large, but was not specific to Investcorp.

Departmental Assessment

8. HMT confirmed that you made no policy decisions relating to Investcorp Securities Limited and that you did not meet with the company during your time in office.
9. HMT confirmed it has no relationship with Investcorp Group.
10. HMT stated that '*Everything regarding the FS Bill [Financial Services and Markets Bill] (and in particular, considerations around introducing an intervention power for HMT in respect of the regulators, and the regulators' new statutory objectives) is now settled and in the public domain.*'
11. HMT stated they did not provide advice to you on matters that could be seen to unfairly advantage Investcorp and had no concerns with the appointment.