

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

G/7 Ground Floor, 1 Horse Guards Road SW1A 2HQ

Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk

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

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BUSINESS APPOINTMENT APPLICATION: Lord Gerry Grimstone, former Minister for Investment at the Department for International Trade (DIT) and Department for Business, Energy and Industrial Strategies (BEIS). Paid appointment with Investcorp Holdings (Investcorp).

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 taking up a role with Investcorp as Advisor and Chair of the Climate Fund.
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 Investcorp. 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 risks present

5. The Department for Business and Trade (DBT)¹ noted that as the former Minister for Investment, you occasionally attended conferences where a representative of Investcorp was present. You made no decisions in office specific to Investcorp. The risk this appointment could reasonably be perceived as a reward for decisions or actions taken in office is low.
6. As the former Minister for Investment, you had routine contact with investment firms or advisory companies based, or operating, in the Gulf Cooperation Council (GCC)². There is a risk you had access to general sensitive information which could benefit a range of organisations, including Investcorp. The risks are limited given:
 - a. your role used previously agreed government policy to encourage UK inward investment;
 - b. 12 months have now passed since you left your ministerial position and had access to information; and
 - c. DBT does not consider you have access to privileged information that could offer an unfair advantage to Investcorp
7. As Minister for Investment, you will have gained contacts as a result of your time within the UK government and with private companies. As such there is a risk your network and influence gained in office might be used to assist Investcorp unfairly. It is also relevant that you had experience in the financial sector prior to joining government - therefore the Committee recognises your experience and connections within the financial sector were not gained solely during your time in public office.

The Committee's advice

8. The Committee³ 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.
9. The Committee advises, under the government's Business Appointment Rules, that your role with **Investcorp Holdings** should be subject to the following conditions:
 - 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 office;
 - for two years from your last day in ministerial service, you should not

¹ Your role as Minister for Investment spanned the Department for International Trade and the Department for Business, Energy and Industrial Strategies. Following the recent Machinery of Government Changes, this now sits with the Department for Business and Trade.

² Gulf Cooperation Council - made up of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates - designed to further political and economic integration amongst them.

³ This application for advice was considered by Andrew Cumpsty; Jonathan Baume; Sarah de Gay; Isabel Doverty; The Rt Hon Lord Pickles; Richard Thomas and Mike Weir.

become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of Investcorp Holdings (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in government and/or Ministerial office to influence policy, secure business/funding or otherwise unfairly advantage Investcorp Holdings (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 Holdings (including parent companies, subsidiaries and partners); and
- for two years from your last day in ministerial office, you should not provide advice to Investcorp Holdings 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 roles 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 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. You must inform us as soon as you take up employment with this organisation, or if it is announced that you will do so, and we will publish this letter on our website. You must 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. Where appropriate, refer to it in the relevant annual report.

The Rt Hon Lord Pickles

Annex - Material information

The role

1. You stated that Investcorp Holdings is a provider and manager of alternative investment products. Its website states that Investcorp is a Bahrain-based company that provides investment and advisory services related to money market operations, corporate, real estate and managed funds. The company operates in six segments: private equity, real estate, absolute return investments, infrastructure, credit management, and strategic capital.
2. In your paid, part-time role as Advisor and Chair of the Climate Fund, you stated your responsibilities will be:
 - Helping to raise capital for the Climate Fund
 - Advising the fund's investment team on new investments as well as business development initiatives for investee companies in the fund– which is managed by a team of investment professionals.
 - The role will not involve contact with government.
3. You informed the Committee that your role will comply with all relevant House of Lords requirements and act in accordance with any advice that is given by ACOBA.
4. You stated you had nearly 40 years of experience working in financial services. Immediately prior to becoming a minister, you were on the Board of Investcorp Holdings and you chaired their Gulf Infrastructure Investment Fund which was a joint venture between Aberdeen Standard Life, which you chaired, and Investcorp.

Dealings in office

5. You advised the Committee that you may have had occasional contact with Investcorp at conferences, roundtables, or meetings. You said you had similar interactions with other organisations operating in the sector. You stated did not have any involvement in policy, regulatory or commercial decisions that would have been specific to the company.
6. You noted your ministerial role was to encourage external investment into the UK, not to develop trade policy.

Departmental Assessment

7. DBT confirmed the details you provided and added that:
 - you made no decisions relating to Investcorp;

- it does not have a departmental relationship with Investcorp;
- as Minister for Investment, you often met with Gulf Cooperation Council (GCC) -based investment and advisory firms, and occasionally attended conferences where a representative of Investcorp was present;
- you were occasionally briefed on Investcorp's commercial decisions in relation to Saudi Arabia in 2020, but you did not possess any information that would now be relevant and do not have access to sensitive information specific to Investcorp; and
- it did not have concerns regarding the appointment and recommended the standard conditions.