

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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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 Bain & Company.

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 as an advisor to Bain & Company on a project with the Ministry of Investment in Saudi Arabia.
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 Bain & 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 presented

5. The department confirmed you met with and made decisions that impacted the Kingdom of Saudi Arabia. The Committee noted the department's comments that these decisions would have been superseded by subsequent decisions or

the final decision was made by the Prime Minister at the time. The Committee¹ considered the risk of this work being offered as a reward for decisions made, or actions taken in office, as low.

6. As the former Minister for Investment you may have access to general sensitive information which could benefit a range of organisations, including Bain & Company and its clients. The Committee noted your access to information was specific to bringing investment into the UK and you were not responsible for developing trade policy. Further, 12 months have now passed since you left your ministerial position and had access to privileged information.
7. As Minister for Investment, you will have gained contacts within the UK government and internationally, particularly in other foreign governments. As such there is a risk your network and influence might be used to assist Bain & Company or its client unfairly.
8. The Committee considered it was significant in assessing the risks in this case that this role is limited to advising Bain in relation to its work with the Ministry of Investment - and will not be engaged with Bain & Company more broadly. This helps mitigate the risks associated with a former minister joining a consultancy which may have clients and projects that overlap with matters related to areas they had direct involvement in whilst in office.

The Committee's advice

9. 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 your access to privileged information, contacts or influence gained from your time in ministerial office.
10. This advice provides you with consent to support Bain & Company's work with the Ministry of Investment in Saudi Arabia as described in this letter - it does not give you consent in relation to any other projects, whether for the Ministry or any of Bain & Company's other existing or future clients.
11. The Committee advises, under the government's Business Appointment Rules, that your appointment with **Bain & Company** be subject to the following conditions:
 - 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 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 Bain & Company (including parent

¹ This application for advice was considered by Isabel Doverty; Sarah de Gay; The Rt Hon Lord Pickles; Mike Weir; and Lord Larry Whitty. Andrew Cumpsty was recused.

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 Bain & Company (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 Bain & Company (including parent companies, subsidiaries and partners); and
- for two years from your last day in ministerial office, you should not provide advice to Bain & Company 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.

12. 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 an applicant's personal responsibility to understand any other rules and regulations they may be subject to in parallel with this Committee's advice.
13. 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.
14. 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*'.
15. You must inform us as soon as you take up employment with this organisation, or if it is announced that you will do so, 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 have complied with the Rules. You also need to 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, and where appropriate, refer to it in the relevant annual report.

The Rt Hon Lord Eric Pickles

Annex - Material information

The role

1. You said Bain is a business consultancy. The website states that 'global leaders' come to Bain to solve industry-defining challenges in: strategy, marketing, organisation, operations, mergers and acquisitions, etc, across all industries and geographies. From the website its work spans across multiple industries and includes healthcare and social and public sectors. Bain says it helps clients to structure, orchestrate and enable positive results.
2. Bain & Company are working on a project to improve the operational effectiveness of the Ministry of Investment in Saudi Arabia (MISA). Bain & Company will be engaging with the Saudi Minister for Investment once every 1-2 months to present key milestones. You said your role will involve supporting Bain during these interactions together with some preparatory work.
3. You said in your role as an advisor you will comply with all relevant House of Lords requirements and act in accordance with any advice that is given by ACOBA.

Dealings in office

4. You advised the Committee you did not meet with Bain & Company and did not have any involvement in any policy development or decisions that would have been specific to Bain & Company. You also said you held no commercial or contractual responsibilities relating to the company.

Department Assessment

5. The department noted you made no decisions affecting Bain & Company but did make frequent decisions relating to the economic/investment relationship between the United Kingdom and Kingdom of Saudi Arabia, particularly with the Saudi Minister for Investment. However, the department noted this was a while ago and any decisions would likely have been superseded by subsequent decisions, given negotiations are an ever-moving picture. The department noted you were pursuing an investment partnership with the Public Investment Fund with Saudi Arabia (similar to the ones the department has with the UAE or Qatar) which were ultimately unsuccessful in your time in office. This remains ongoing in a slightly different format under your successor.
6. You also took an interest in the UK-GCC FTA – though technically outside your portfolio you were asked to clear decisions relating to investment (such as Investor-State Dispute Settlement - ISDS). The department considered these decisions are likely not relevant to the appointment.
7. The department confirmed you had no access to information that could unfairly benefit Bain & Company as well as the Ministry of Investment in Saudi Arabia.
8. It confirmed it had no concerns and recommended the standard conditions.
9. The FCDO also provided their views stating they:

'...don't see any proprietary concerns about Lord Grimstone taking up this position and several bilateral advantages.'