



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon Sir Brandon Lewis CBE MP, former Lord Chancellor and Secretary of State for Justice, Secretary of State for Northern Ireland. Paid appointment with LetterOne.

1. You approached the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former ministers (the Rules) seeking advice on taking up a paid role as the Chair of the new advisory board with LetterOne Holdings S.A. (LetterOne).

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 LetterOne. The material information taken into consideration by the Committee is set out in the annex.

3. The Committee considered whether this appointment was unsuitable given LetterOne's legal challenge to overturn a decision taken by the UK government¹. The Committee must also consider the information provided by government departments in relation to your access to information and involvement in this sector. The Committee has imposed a number of conditions to mitigate the potential risks to the government associated with the appointment under the Rules. The Committee's advice is not an endorsement of the appointment.

4. The Rules set out that Crown servants must abide by the Committee's advice². 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 risks presented

¹ <https://www.ft.com/content/d7c5bb09-4a9a-44b1-ba3a-2dee828fc436>

² Which apply by virtue of the Civil Service Management Code, The King's Regulations and the Diplomatic Service Code

5. LetterOne is an international investment business based in Luxembourg, with offices in New York and London. Its investments are focused on the telecoms, technology, retail, health and energy sectors. In December 2022, the then UK Business Secretary used the UK's National Security and Investment Act 2021 (the Act) to order LetterOne to divest its shareholding in Upp Corporation Ltd (Upp), citing 'a risk to national security'. In September 2023 the Cabinet Office confirmed the divestment was completed by a sale at auction on 4 September 2023; and that the Secretary of State no longer required the provision of statements of compliance in the final order dated 19 December 2022.

6. Alongside complying with the order, LetterOne (via its legal representatives) has separately submitted a claim to the High Court, seeking judicial review of the government decision under the Act.

7. The Ministry of Justice (MOJ) and the Northern Ireland Office (NIO) confirmed you did not meet with, nor had any responsibility for decisions specific to LetterOne in ministerial office. Therefore, the Committee³ considered the risk that you were offered this role as a reward for decisions or actions taken in post is low.

8. This role does not overlap with your responsibilities in office. There is a risk associated with the company's desire to influence government, in particular via the judicial review against government's decision under the Act. Real or perceived, there is a risk that LetterOne may look to gain insight from employing the former Lord Chancellor and Secretary of State for Justice that it could not otherwise gain. There are several mitigating factors raised by you and government which reduce the scope of this risk:

- The MOJ is responsible for delivery of the justice system rather than individual court decisions which are a matter for the judiciary.
- Both the order issued under the Act and the subsequent judicial review proceedings occurred after you left office. There can be no reasonable suggestion you have privileged insight on these matters from your time in government.
- The responsibility for the decision under the Act and for responding to the judicial review sit outside of your two former departments.
- You have been out of ministerial office for 12 months - with no access to information and/or decision making since you left government in October 2022
- LetterOne has confirmed your role will not involve providing advice on Upp or the judicial review - which must be made a contractual obligation of your appointment with the company.

9. There remains a risk you may have privileged insight that could be seen as offering an unfair advantage. The Committee considered the risks under the Rules would most likely arise should you advise on matters involving the divestment relating to Upp, including the judicial review against government's decision under the

³ This application for advice was considered by Andrew Cumpsty; Isabel Doverty; Sarah de Gay; The Rt Hon Baroness Jones of Whitchurch; The Rt Hon Lord Eric Pickles; and Mike Weir. This letter contains the Committee's advice, arrived at without his input and which he is sending in his capacity as Chair of the Committee.

Act. It is therefore significant that LetterOne confirmed you will have no involvement in any discussions or decision-making on these matters and that this will be added to your contract as a clause.

10. There is a risk you could use your influence and network gained in office to provide an unfair advantage to LetterOne. The Committee considered it significant that this is a judicial matter that cannot be influenced by one individual, you are prevented from lobbying and as above LetterOnce has confirmed that you will have no involvement in these matters.

The Committee's Advice

11. The Committee recognised the risks are limited given legal proceedings cannot be influenced by any one person, and you have no prior knowledge or involvement in these matters in government. However, there remains a risk you will be seen to offer an unfair advantage to LetterOne. The risks in relation to your access to information would most likely arise if you were to have any involvement in LetterOne's discussions or decision-making on the judicial review. The Committee has therefore imposed a condition to limit your role and require your separation from these matters to be a contractual obligation, as confirmed by LetterOne.

12. You confirmed your role will not involve contact with government, in line with the expectations set out in the Rules. As the company has a significant interest in government policy it would therefore be difficult to manage the risk you would be seen to be lobbying on the company's behalf if there was any contact with government in any capacity. The Committee's advice is therefore that you should have no direct engagement with the UK government on behalf of LetterOne - regardless of the intention of this contact. This is in keeping with your role as described.

13. Under the Government's Business Appointment Rules, the Committee's advice that this appointment with **LetterOne Holdings S.A** should 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 office;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of LetterOne Holdings S.A. (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 of LetterOne Holdings S.A. (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office you should not provide advice to LetterOne Holdings S.A. 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;

- for two years from your last day in ministerial office you should not have any engagement on behalf of LetterOne Holdings S.A. (including parent companies, subsidiaries, partners and clients) with the UK government; and
- for two years from your last day in ministerial office you must be prevented from having any involvement in matters related to LetterOne Holdings S.A's investment/ divestment relating to Upp, including the ongoing judicial review against the government's decision which relates to this matter. This will be managed by a clause in your contract with LetterOne Holdings S.A.

14. 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. You are reminded that all Members of Parliament have a separate ban on paid lobbying under the Parliamentary Code of Conduct, whilst they remain a sitting MP⁴. 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.

15. 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.

16. 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'.

17. 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. 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 him to make a fresh application.

18. 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.

⁴ Advice on your obligations under the Code can be sought from the Parliamentary Commissioner for Standards

The Rt Hon Lord Pickles

Annex - Material Information

The company

1. LetterOne's website describes the company as an international investment business based in Luxembourg, with offices in New York and London. Its investments are focused on the telecoms, technology, retail, health and energy sectors through its business units - L1 Energy, L1 Retail, L1 Technology and L1 Health.
2. LetterOne was co-founded by Mikhail Fridman and Petr Aven. Both were subject to EU sanctions and were removed from the company and had their shares in the company frozen in March 2022. Shortly following this, three further Russian investors resigned (these individuals were not subject to sanctions). Previous to this, on 21 January 2021 LetterOne purchased a 100% stake in Upp, previously named Fibre Me Limited. In December 2022, under the National Security and Investment Act 2021 (the Act) the Secretary of State for Business at the time ordered LetterOne to sell its stake in Upp to 'prevent, remedy, or mitigate the risk to national security'⁵.
3. The Cabinet Office, which is now responsible for the Act, confirmed to the Committee that in September 2023 LetterOne had completed this divestment; and that the Secretary of State no longer required the provision of statements of compliance in the final order dated 19 December 2022.
4. Alongside complying with the order, LetterOne (via its legal representatives) separately submitted a claim to the High Court, seeking judicial review of the decision under the Act. The Secretary of State in the Cabinet Office is responsible for defending it.

The role

5. This is a part-time, paid role as the Chair of a new advisory board. You said your role would be to set up and chair a new advisory board looking at business growth, governance and ESG (environmental, social and governance). You said this will be the limit of your role, working alongside its Chairman, the Labour peer Lord Mervyn Davies. You will have no role in LetterOne's response to the government on the investment security matter or the judicial review.
6. LetterOne has formally written to ACOBA to provide the following information:
 - o LetterOne will be complying with the order to divest in Upp. Subsequently this was confirmed by the Cabinet Office - divestment was completed in September 2023.

⁵ <https://www.gov.uk/government/publications/acquisition-of-upp-corporation-ltd-by-l1t-fm-holdings-uk-ltd-notice-of-final-order/acquisition-of-upp-corporation-ltd-by-l1t-fm-holdings-uk-ltd-notice-of-final-order>

- It will include a specific clause in your contract stating that he would have no part in, or knowledge of, the divestment process and/or the legal issues surrounding that - including the Judicial Review.

Dealings in office

7. You advised the Committee you had no official dealings with the company in ministerial office, nor any involvement or responsibility in decisions relevant to LetterOne.
8. You noted that the matters concerning the ongoing judicial review occurred after you left government and you had no insight or knowledge of them.

Departmental view

9. The Ministry of Justice (MOJ) and the Northern Ireland Office (NIO) confirmed the details you provided including that you:
 - had no contact or official dealings with LetterOne in office
 - had no involvement in policy or decisions affecting LetterOne
10. The MOJ said it did not consider there was risk of real or perceived conflict of interest in relation to your time as a minister at the MOJ.
11. The NIO Permanent Secretary confirmed they had no concern with any conflict in relation to your role at the NIO.
12. Following LetterOne's divestment in Upp, the Cabinet Office confirmed the divestment had been completed. Compliance with the order made under the National Security and Investment Act 2021 appropriately manages any associated risk.