



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: Kenneth (Ken) Thomson, former Director-General for Strategy & External Affairs at the Scottish Government. Paid appointment with the Institute of Chartered Accountants Scotland.

1. Mr Thomson 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 the Institute of Chartered Accountants Scotland (ICAS) as a Public Interest Member.
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 Mr Thomson's time in office, alongside the information and influence he may offer ICAS. 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 Rules set out that Crown servants must abide by the Committee's advice¹. 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.

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

The Committee's consideration of the risks presented

5. The Scottish Government confirmed that whilst it does not have a commercial/contractual relationship with ICAS, it is a stakeholder in its work, for example on taxation in Scotland and the ICAS Royal Charter. Mr Thomson did not meet with ICAS, nor did he make any decisions specific to the organisation during his time as Director-General. Therefore, the Committee² considered the risk this appointment could reasonably be perceived as a reward for decisions made or actions taken in office is low.
6. This appointment does not specifically overlap with Mr Thomson's time at the Scottish Government and it confirmed he does not possess any sensitive information specific to ICAS. Though there remains a risk associated with his broad access to information and contacts/ influence across the Scottish Government.

The Committee's advice

7. The Committee did not consider this appointment raises any particular proprietary concerns under the government's Business Appointment Rules. There are inherent risks associated with Mr Thomson's access to sensitive information and contacts. The standard conditions below, which seek to prevent him from drawing on his privileged information and contacts to the unfair advantage of his new employer, will sufficiently mitigate the risks in this case.
8. Taking these factors into account, in accordance with the government's Business Appointment Rules, the Committee's advice is this appointment with the **Institute of Chartered Accountants Scotland** be subject to the following conditions:
 - he 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 him from his time in Crown service;
 - for two years from his last day in Crown service, he should not become personally involved in lobbying the Scottish Government or any of its arm's length bodies on behalf of the Institute of Chartered Accountants Scotland (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the Scottish Government and/or ministerial contacts to influence policy, secure business/funding or otherwise unfairly advantage the Institute of Chartered Accountants Scotland

² 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.

(including parent companies, subsidiaries, partners and clients);

- for two years from his last day in Crown service, he should not provide advice to the Institute of Chartered Accountants Scotland 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 Scottish Government or any of its arm's length bodies.
9. The advice and the conditions under the government's Business Appointment Rules relate to your previous role in government only; they are separate rules administered by other bodies, such as the lobbying register in Scotland. 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.
 10. 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 Ministerial Code/Civil Service Code or otherwise.
 11. 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."*
 12. Mr Thomson must inform us as soon as he takes up this work or if it is announced that he will do so. Similarly, he must inform us if he proposes to extend or otherwise change his role with the organisation as depending on the circumstances, it might be necessary for him to seek fresh advice.
 13. Once this appointment has been publicly announced or taken up, we will publish this letter on the Committee's website.

Hamzah Rizvi
Committee Secretariat

Annex - Material Information

The role

1. ICAS is a professional membership organisation and business network for Chartered Accountants, also operating as an educator, regulator, examiner and a professional awarding body. ICAS is the only UK chartered accountancy body to provide professional education and training, as well as examinations, for all its students.
2. In this paid, part-time, role as Public Interest Member, ICAS described the responsibilities:
 - Public Interest Members fulfil a non-executive function bringing an external perspective and challenge and encouraging a robust and transparent accountancy profession.
 - Public interest members also contribute to the governance of ICAS; exercising oversight within the ICAS regulatory functions and ensuring that processes are applied consistently and fairly.
3. Mr Thomson confirmed his role will not involve contact with the government.

Dealings in office

4. Mr Thomson advised the Committee he did not meet with, nor was he involved in, any policy or decisions specific to ICAS. He does not have access to information of relevance to ICAS.

Departmental Assessment

5. The Scottish Government confirmed the details Mr Thomson provided and added that it does not have a commercial relationship with ICAS. Scottish Ministers consult the Privy Council if significant changes are proposed to the ICAS Royal Charter and may engage with ICAS on matters such as Scottish taxation, insolvency arrangements in Scotland and charity regulation where ICAS will engage with SG policy makers.
6. The Scottish Government did not have any concerns with the appointment and recommended the standard conditions.