



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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January 2024

Business Appointment Application: Sir Jeremy Fleming KCMG CB, former Director of the Government Communications Headquarters (GCHQ). Paid appointment with SandboxAQ.

1. Sir Jeremy, former Director of GCHQ, 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 an appointment he wishes to take up as an Advisor to SandboxAQ.
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 Sir Jeremy's time in office, alongside the information and influence he may offer SandboxAQ. 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. GCHQ said that it does not have a direct contractual relationship with Sandbox, although the company has a contract with the UK Intelligence Community which GCHQ benefits from. GCHQ confirmed neither it nor Sir Jeremy were responsible for the procurement or management of this contract. GCHQ also confirmed Sir Jeremy met with SandboxAQ to discuss AI and quantum technologies generally as part of wider stakeholder discussions, but no material decisions/actions, whether policy or commercial, followed as a result. As such, the Committee² considered there is no reason it might be perceived this appointment is a reward for decisions made or actions taken in office.
6. As the former Director of GCHQ, Sir Jeremy would have had access to a range of particularly sensitive information, including that which relates to technology, including AI, quantum and cyber. As a result there are real and perceived risks he could offer SandboxAQ an unfair advantage due to insight gained in office. GCHQ said it was not concerned about any specific information he had access to in relation to this company and matters affecting it. Its view was that by 2023, the risks associated with any privileged insights would no longer be sufficiently up to date to offer any unfair advantage to SandboxAQ. It is significant that he last had access to information 8 months ago.
7. As the former Director at GCHQ there is a risk Sir Jeremy will have gained contacts as a result of his time within the UK government and within foreign governments and private companies. Particularly in relation to offering unfair access to government and potential clients.

The Committee's advice

8. Whilst this is not a direct overlap with Sir Jeremy's decisions in office, as the former Director of GCHQ it does overlap more generally in the sector he was responsible for. It is likely he will have access to a range of sensitive information that could be seen to benefit SandboxAQ and other similar companies. In the absence of any evidence he has access to specific commercial or policy information that would offer specific unfair insight, the conditions below, alongside the eight months that have passed since he was in office, appropriately mitigate the inherent risks. The conditions below set out that he must not make improper use of his privileged access to information and contacts from his time in office, alongside his ongoing duty of confidentiality and other provisions (such as the Official Secrets Act).
9. The Committee advises that under the government's Business Appointment Rules, that this role with **SandboxAQ** should be subject to the following conditions:

² This application for advice was considered by Dawid Konotey-Ahulu CBE, Andrew Cumpsty; Isabel Doverly; Hedley Finn OBE; The Rt Hon Baroness Jones of Whitchurch; The Rt Hon Lord Pickles; Michael Prescott; and Mike Weir; and Sarah de Gay..

- 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 UK government or its arm's length bodies on behalf of SandboxAQ (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the government and/or ministerial contacts to influence policy, secure business/funding or otherwise unfairly advantage SandboxAQ (including parent companies, subsidiaries, partners and clients);
 - for two years from his last day in Crown service, he should not provide advice to SandboxAQ 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 its arm's length bodies; and
 - for two years from his last day in Crown service, he should not become personally involved in lobbying contacts he has developed during his time in office in other governments and organisations for the purpose of securing business for SandboxAQ (including parent companies, subsidiaries and partners).
10. The advice and the conditions under the government's Business Appointment Rules relate to his previous role in government only; they are separate from rules administered by other bodies such as the Office of the Registrar of Consultant Lobbyists, the Parliamentary Commissioner for Standards and the Registrar of Lords' Interests³. 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
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*

³ All Peers and Members of Parliament are prevented from paid lobbying under the House of Commons Code of Conduct and the Code of Conduct for Members of the House of Lords. Advice on your obligations under the Code can be sought from the Parliamentary Commissioners for Standards, in the case of MPs, or the Registrar of Lords' Interests, in the case of peers.

organisation by which they are employed, or to whom they are contracted or with which they hold office’.

13. Sir Jeremy must inform us as soon as he takes up employment with this organisation, or if it is announced that he will do so. Likewise if he proposes to extend or otherwise change the nature of his role as, depending on the circumstances, it may be necessary for him 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.

Yours Sincerely,

Xante Chalwell
Committee Secretariat

Annex A - Material information

The role

1. Sir Jeremy said that SandboxAQ is a software company working at the nexus of AI and quantum technologies. Sir Jeremy said that SandboxAQ has strong links to the UK academic sector and is becoming a world leader in some aspects of quantum. He says its operations are largely in the US, but aims for a global presence.
2. Sir Jeremy said that he will be an Advisor to SandboxAQ. He said the role is to consult with and advise Sandbox on its strategy in relation to geopolitics, technology, cyber and its public narrative. Sir Jeremy said that he would be a UK adviser to its top team. He confirmed his role will not involve contact with the government.

Dealings in office

3. Sir Jeremy said that he met with SandboxAQ on two occasions to discuss AI and quantum technologies and that nothing material came out of these conversations.
4. Sir Jeremy said that he met numerous competitors of SandboxAQ to discuss software and quantum technologies.
5. Sir Jeremy said that he was not involved in any commercial or contractual decisions relating to SandboxAQ. Further, he did not have any involvement in

any relevant policy development or decisions that would have affected SandboxAQ.

Department Assessment

6. GCHQ confirmed the details Sir Jeremy provided.
7. GCHQ said that it does not have a direct contractual relationship with SandboxAQ. It confirmed that SandboxAQ has a £1.8 million contract with the UK Intelligence Community which benefits some work relevant to GCHQ. It also informed the Committee this contract is not owned or run by GCHQ, but elsewhere within the UK Intelligence Community and therefore did not fall under Sir Jeremy's responsibilities.
8. GCHQ said that Sir Jeremy would have received various high level insights into competitors' intellectual property and sensitive commercial information while in office. It said by late 2023, the risks associated with his insights and access to information would have been significantly limited given the pace of development in the sector.
9. GCHQ confirmed that it had no concerns with this appointment and recommended the standard conditions.