

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>

February 2024

BUSINESS APPOINTMENT APPLICATION: BUSINESS APPOINTMENT APPLICATION: The Rt Hon Nadhim Zahawi MP, former Minister Without Portfolio at the Cabinet Office and Chancellor of the Duchy of Lancaster. Previously Chancellor of the Exchequer at His Majesty's Treasury and before that, Secretary of State for Education at the Department for Education. Paid appointment with The Very Group.

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 Non Executive Chairman with The Very Group.
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 The Very Group. 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 presented

5. You did not meet with The Very Group, nor did you make any decisions at the Cabinet Office, HM Treasury (HMT) or the Department for Education (DfE) specific to The Very Group. The Committee¹ considered the risk that you were offered this role as a reward for decisions or actions taken in post was low.
6. As a former Cabinet Minister there are inherent risks regarding your general access to information and influence within government. The risks are limited given there is no direct overlap between your government service and this proposed role with the Very Group. It is also relevant that you have been out of government for more than 11 months, providing a gap between your access to information and you taking up this role.
7. As a former minister, there are also inherent risks associated with your contacts and influence within government. The Committee noted your role is internal to the organisation's governance board and does not involve contact with government.

The Committee's advice

8. The Committee did not consider this appointment raises any particular propriety concerns associated with your time in office under the government's Rules. There are inherent risks associated with your access to sensitive information and contacts which the standard conditions below appropriately mitigate. In particular, you must not draw on your privileged insight or make use of your contacts and influence within government to the unfair advantage of The Very Group.
9. In accordance with the government's Business Appointment Rules, the Committee advises this role with **The Very Group** 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 its arm's length bodies on behalf of The Very Group (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the government and/or ministerial office to influence policy, secure business/funding or otherwise unfairly advantage The Very Group (including parent companies, subsidiaries, partners and clients); and
 - for two years from your last day in ministerial office, you should not undertake any work with The Very Group (including parent companies, subsidiaries,

¹ This application for advice was considered by Andrew Cumpsty; Isabel Doverty; Hedley Finn OBE; Sarah de Gay; The Baroness Jones of Whitchurch; Dawid Konotey-Ahulu CBE; The Rt Hon Lord Eric Pickles; Michael Prescott; and Mike Weir.

partners and clients) that involves providing advice 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 and its arm's length bodies.

10. 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 MP². 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 Ministerial Code/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 this work or if it is announced that you will do so. Similarly, you inform us if you propose to extend or otherwise change your role with the organisation as depending on the circumstances, it might be necessary for you to seek fresh advice.
14. Once this 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 Pickles

² Advice on your obligations under the Code can be sought from the Parliamentary Commissioner for Standards

Annex - Material Information

The role

1. The Very Group Limited is a multi-brand online retailer and financial services provider in the United Kingdom and Ireland. Its parent company is VGL Finco Limited.
2. You described your the Non Executive Chairman role and its responsibilities to:
 - provide constructive challenge, strategic guidance, offer specialist advice and hold management to account
 - scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives
 - have a prime role in appointing and, where necessary, removing executive directors and in succession planning
 - set the Board's agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues
 - set clear expectations concerning the company's culture, values and behaviours and style and tone of Board discussions
 - ensure the Board determines the nature and extent of the significant risks that the company is willing to embrace in implementing its strategy
 - ensure the Board has effective decision making processes and apply sufficient challenge to major proposals
 - develop productive working relationships with all Executive Directors and the Group Executive Officer
 - the role will not involve contact with government
3. In relation to how this offer arose, you informed the Committee you have known the Barclay family who own the Very Group for 20 years.

Dealings in office

4. You advised the Committee that you did not meet with The Very Group as a minister whilst in office. Further, you said you did not have any involvement in any policy development or decisions that would have been specific to The Very Group; nor any access to relevant commercial or other sensitive information.

Departmental assessment

5. The Cabinet Office, HMT and DfE provided their views on your application and confirmed the details you provided.
6. Neither the Cabinet Office, nor DfE has a departmental relationship with The Very Group. HMT noted that officials met with representatives of the Very Group, after you left office, in May 2023 .

7. The departments confirmed that you were not involved in policy or regulatory decisions specific to The Very Group, nor did they consider you to possess any sensitive information specific to the company.
8. The departments recommended the standard conditions.

