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BUSINESS APPOINTMENT APPLICATION: Paul Madden CMG, former Ambassador to Japan, commission with Stonehaven under his Independent Consultancy.

1. Mr Madden 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 Stonehaven under his independent consultancy (Kawauso Ltd). The material information taken into consideration by the Committee is set out in the annex.

2. The purpose of the Rules is to protect the integrity of the government. Under the Rules, the Committee's remit is to consider the risks associated with the actions and decisions made during Mr Madden's time in office, alongside the information and influence he may offer Stonehaven.

3. The Committee has advised that a number of conditions be imposed to mitigate the potential risks government associated with this work under the Rules; this does not imply the Committee has taken a view on the appropriateness of this appointment in any other respect.

4. The Rules[1] set out that Crown servants must abide by the Committee's advice. 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.

<u>The Committee's consideration of the risk presented</u>

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

5. The Committee[2] considered this commission to be consistent with the description of Mr Madden's consultancy which he described as advising companies working internationally, either Asian companies working in the UK or British companies doing business in Asia Pacific, particularly Japan, Australia and Singapore. The advice will focus on; the international business scene and his understanding of the politics of different countries and of relevant thematic areas like climate change and trade policy. Mr Madden also noted his skills in speaking Japanese and interpreting British business and political culture will also likely be used.

6. When considering this application, the Committee noted there is no relationship between Stonehaven and his former department, the Foreign, Commonwealth and Development Office (FCDO). The department confirmed he did not meet with, nor make any decisions specific to, Stonehaven whilst he was in office. Therefore, the Committee considered there is no reason it might be perceived this appointment is a reward for decisions made or actions taken from his time in government service.

7. As the former Ambassador to Japan, the Committee noted Mr Madden would have had access to privileged information which may be seen to benefit any company he chooses to join. However, the Committee considered it significant that:
    a. this is a general risk, he had no specific responsibilities for this sector in office;
    b. seven months have passed since he had access to information in office; and
    c. he has an ongoing duty of confidentiality.

8. The Committee also noted there may be potential risks associated with the unknown nature of Stonehaven's clients. Specifically, should they be a company or organisation Mr Madden or the FCDO had a commercial relationship with or where he had some specific insight or influence in respect of their work whilst in post.

9. Additionally, the Committee noted due to his seniority and influence at the centre of the government as well as other governments, there is a risk it could be perceived his network and influence might assist Stonehaven and its clients unfairly.

<u>The Committee's advice</u>

10. The Committee determined the conditions that apply to Mr Madden's consultancy help mitigate the risk in this appointment. However, given the unknown nature of Stonehaven's clients, the Committee considered it would be appropriate to impose an additional condition to prevent him from advising Stonehaven or its clients where it involves working on matters he had involvement with in office.

[2] This application for advice was considered by Jonathan Baume; Sarah de Gay; Isabel Doverty; The Rt Hon Lord Pickles; Richard Thomas; Mike Weir; Lord Larry Whitty. Dr Susan Liautaud, Jonathan Baume and Andrew Cumpsty were unavailable.

11. Further, given his role as an Ambassador, the Committee wishes to make it explicit that it would be inappropriate for him to use contacts gained in office (directly or indirectly) to the advantage of Stonehaven and its clients. This helps to mitigate the risk he may be seen to offer Stonehaven any unfair access to government.

12. The Committee advises, under the government's Business Appointment Rules, that this commission with **Stonehaven** should be subject to the same conditions which were previously applied to his independent consultancy (as well as the additional condition below):

- 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 any of its Arm's Length Bodies on behalf of those he advises under his independent consultancy (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the government and/or Crown service contacts to influence policy, secure business/funding or otherwise unfairly advantage those he advises under his independent consultancy (including parent companies, subsidiaries, partners and clients);

- for two years from his last day in Crown service, he should not provide advice to on behalf of those he advises under his independent consultancy (including parent companies, subsidiaries, partners and clients) 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 or any of its Arm's Length Bodies;

- 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 and in other governments and organisations for the purpose of securing business for any company or organisation (including parent companies, subsidiaries and partners); and

- for two years from his last day in Crown service, before accepting any commissions for his independent consultancy and or/before extending or otherwise changing the nature of his commissions, he should seek advice from the Committee. The Committee will decide whether each commission is consistent with the terms of the consultancy and consider any relevant factors under the Business Appointment Rules.

In addition the Committee considered this commission with **Stonehaven** be subject to the following condition:

- for two years from his last day in Crown service, he should not advise Stonehaven or its clients on work with regard to any policy he had specific

involvement or responsibility for as Ambassador to Japan, or where he had a relationship with the relevant client during his time as Ambassador to Japan.

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. Mr Madden must inform us as soon as he takes up this work, or it is announced he will do so.

16. Please also inform us 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.

17. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website.

Yours Sincerely,

Isabella Wynn
Committee Secretariat

Annex - Material information

<u>The role</u>

1. Mr Madden said Stonehaven is a data modelling driven consultancy that helps companies understand and navigate social and geopolitical changes relevant to business, for example in areas like climate change and trade policy. It puts together multidisciplinary teams to work with its multinational business clients.

2. Mr Madden said the company has recently acquired a similar company in Australia and are particularly interested in Mr Madden helping them advise existing and future clients there, including making regular visits. He said he has a good overall understanding of the Australian business and government scene from his time as High Commissioner there in 2011-15.

3. Mr Madden said Stonehaven are interested in his generic understanding, built up over many years, of the government and business environment and how it is impacted by a range of policy issues including climate change and trade policy. He said his role will be advisory and will help understand, interpret and explain future developments, rather than bring any privileged information from his recent time as Ambassador in Tokyo. He said Stonehaven is also interested in the generic senior level experience he has built up over a long period, as a former ambassador. Mr Madden said there is no '...specific Japan angle to this role' and confirmed any conflict of interest arising from any relationship with a company that he had worked with in Japan, he would resign himself from that relationship.

4. His role will not involve contact with government.

Dealings in office

5. Mr Madden advised the Committee he did not meet with Stonehaven while in office and there is no relationship between the FCDO and Stonehaven. Further, he said he did not have any involvement in any relevant policy development or decisions that would have affected Stonehaven and no commercial or contractual responsibilities relating to Stonehaven. Further, he did not meet with competitors of Stonehaven; nor did he have access to sensitive information regarding these competitors.

Department Assessment

6. The FCDO confirmed the details provided and confirmed it did not have any concerns regarding this appointment.