

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon Steve Baker, former Minister of State for Northern Ireland and Minister of State in the Cabinet Office. Paid appointment with Axiom Venture Fund II LP

1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for Former Ministers (the Rules) on your role as Advisor with Axiom Venture Fund II LP (Axiom), a fund owned by the partners and the management company being Axiom Venture Management LLC.
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 you made during your time in office, alongside the information and influence you may offer Axiom. 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 newsletter - it imposes a number of conditions to mitigate the potential risks to the government associated with the newsletter under the Rules.
4. The Rules¹ set out that former minister must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former ministers 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. As minister, you had dealings with various companies in the finance sector. The Northern Ireland Office (NIO) and the Cabinet Office confirmed that you did not meet with, nor have involvement in any decisions specific to Axiom during your time in office. 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. As a former minister, you will have had access to general sensitive information that could benefit many organisations, including Axiom – though your former departments are not aware of anything specific that could offer an unfair advantage. The risk regarding your access to information is greatest should you advise Axiom or its clients in relation to matters you had specific responsibility for. Further, Axiom's clients and the precise pieces of work you will be asked to undertake are unknown, which raises a risk that this could happen.
7. As with any former minister, there are risks associated with your contacts and influence within government and the potential for Axiom to gain unfair access or influence as a result. The Committee considered it significant that you confirmed your role as Advisor excludes any dealings with government, in accordance with the lobbying ban that applies to all former ministers for two years after leaving office.
8. There are also risks associated with your network of contacts outside of government, gained whilst in ministerial office. As an Advisor, your role involves attracting clients. There is therefore a risk of unfair advantage to Axiom, were you to draw specifically on private sector contacts that you only gained as a result of your role in office.

The Committee's advice

10. The Committee determined the risks identified can be appropriately mitigated by the conditions below. These make it clear that you cannot make use of privileged information, contacts or influence gained from your time in ministerial service to the unfair advantage of Axiom. Alongside the standard conditions, to mitigate the risk associated with unknown clients, the Committee has imposed a restriction to prevent you from advising on work specifically overlapping with your recent ministerial role.

² This application for advice was considered by Andrew Cumpsty; Hedley Finn OBE; Sarah de Gay; The Baroness Thronton; The Rt Hon Lord Pickles; Michael Prescott; and Mike Weir. Isabel Doerty and Dawid Konotey-Ahulu CBE DL were unavailable.

11. Additionally, the Committee imposed a restriction on lobbying contacts you made during your time in office in other governments and organisations outside of the UK government for the purpose of securing business for Axiom.

12. In accordance with the government's Business Appointment Rules, the Committee advises this appointment with **Axiom Venture Fund II LP** 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 Axiom Venture Fund II LP (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 Axiom (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office, you should not provide advice to Axiom Venture Fund II LP 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;
- for two years since your last day in ministerial office, you should not advise Axiom Venture Fund II LP (including parent companies, subsidiaries, partners and clients) on any policy you had specific involvement in or responsibility for as Minister of State at the Northern Ireland Office and Cabinet Office, nor where you had a relationship with the relevant client during your time in the role; and
- for two years from your last day in ministerial office, you should not become personally involved in lobbying contacts you have developed during your time in office and in other governments and organisations for the purpose of securing business for Axiom Venture Fund II LP (including parent companies, subsidiaries and partners).

12. The advice and the conditions under the government's Business Appointment Rules relate to your 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' Interests.³ 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.

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

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 Ministerial Code or otherwise.
14. The Business Appointment Rules explain that the restriction on lobbying means that you "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. You must inform us as soon as you take up employment with this organisation, or if it is announced that you will do so. Please 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 you to make a fresh application.
16. 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.

The Rt Hon Lord Pickles

Annex – Material Information

The role

1. You said you have been offered a paid, part-time appointment with Axiom Venture Fund II LP as an Advisor. The fund is owned by the partners and its management company is Axiom Venture Management LLC, which is a bitcoin native corporate finance firm.
2. You have stated that the purpose of the fund is to invest in "*an increasingly prominent system of startups using Bitcoin as technology*" and that the fund "*does not invest in Bitcoin, but rather invests in the equity of early-stage businesses with the intention of supporting their growth over the long-term*". You have said that opportunities are expected in fintech, capital markets, and energy industries.

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.

3. According to Axiom's website, it states that their investment categories include:

- lightning/payments
- capital markets
- mining/energy
- nostr⁴/communications
- scaling
- gaming
- wagering
- social media
- decentralised web, and more.

4. In your (paid) role as as Advisor, you would serve two primary roles:

- help Axiom attract clients, and
- provide Axiom with a materially differentiated input to its investment research and decision making process, given your background, career and overall expertise.

5. You have confirmed that you would have no contact with or lobbying of government.

Dealings in office

6. You said that none of your roles in the NIO and the Cabinet Office included involvement in policy development, contractual and/or commercial decisions specific to Axiom. You also said that you did not have any official dealings/ contact with Axiom during your time in office and that there is no departmental relationship with it. You also stated that you did not have any access to privileged information.

Departmental assessment

7. The NIO and the Cabinet Office were consulted on this appointment. The departments confirmed the above information and provided the following:

- You did not make any regulatory, commercial or policy decisions that would have affected Axiom.
- You held a Fintech roundtable on 23 March 2023 which engaged with several companies including, Bank of London, FinTrU, RegTick, loyalBe, Datactics, Esther, and Deloitte which was to discuss investment in FinTech services in Northern Ireland. However, you did not meet with Axiom during your time in office.
- There is no relationship between NIO, the Cabinet Office and Axiom.

⁴ Nostr is an open protocol for decentralized message transmission, with the intention to be able to resist internet censorship while maintaining session integrity.

- You do not possess sensitive information that would confer an unfair advantage to Axiom. You did not make any funding or contractual/commercial decisions that affected Axiom.

8. The departments recommended the standard conditions.