

OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

1 Horse Guards Road, London SW1A 2HQ Telephone: 020 7271 0839 Email: acoba@acoba.gov.uk

Website: http://www.gov.uk/acoba

The Rt Hon Pat McFadden MP Chancellor of the Duchy of Lancaster and Minister for Intergovernmental Relations

December 2024

Dear The Rt Hon Pat McFadden MP

I write in my capacity as Chair of the Advisory Committee on Business Appointments (ACOBA) regarding a failure to follow the government's Business Appointment Rules (the Rules) by Mr Huw Merriman. Please see the relevant correspondence included in the annex.

The Committee is independent, with a remit to consider applications received under the Rules, consider the risks and advise on the conditions that should apply.

The Business Appointment Rules (the Rules) are set by the government, with the policy owned by the Cabinet Office. The requirement for former ministers to seek and abide by ACOBA's advice is set out clearly in the Ministerial Code, including specifically that: '...Former Ministers must ensure that no new appointments are announced, or taken up, before the Committee has been able to provide its advice.'

Mr Merriman has acknowledged that he should have awaited advice before announcing the role and has apologised for his failure to do so. This was a breach of the government's Rules.

In the Committee's experience, the risks under the Rules in these types of appointments are limited. The purpose of the Rules is to protect the integrity of government by considering the real and perceived risks associated with former ministers joining outside organisations. These risks are significantly limited in unpaid cases due to the lack of financial gain to the individual. These cases will normally be subject to a standard set of conditions preventing individuals from drawing on privileged information; and lobbying the UK government.

Failure to await advice in this case is a breach of the government's Rules. What action you take is a matter for the government. However, given the unpaid nature of the role and its low risk, the Committee considers that further government action would be disproportionate.

In line with the Committee's policy of transparency, correspondence on this matter will be published on our website.

Fine Piden

The Rt. Hon Lord Pickles

Copied to: The Rt Hon Nick Thomas-Symonds MP, Minister for the Cabinet Office; Darren Tierney, Director General, Propriety and Ethics, Cabinet Office.

Annex

1. Letter from The Rt Hon Lord Pickles to Mr Merriman, 18 December 2024



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/8, 1 Horse Guards Road, London, SW1A 2HQ
Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk
Website: http://www.gov.uk/acoba

Mr Huw Merriman By email

18 December 2024

Dear Huw,

Re: Application for advice on the role of Chair, Liverpool to Manchester Railway Partnership Board

Thank you for your reply of 7 November in respect of the early announcement of your appointment, prior to receiving ACOBA's advice. I note your apology and explanation of your actions.

In ACOBA's experience, the risks under the Rules in unpaid appointments are limited. These cases will normally be subject to a standard set of conditions preventing individuals from drawing on privileged information; and lobbying the UK government. It is disappointing that in this case, you did not wait for ACOBA's advice resulting in a breach of the Rules

You observe that Greater Manchester Combined Authority's announcement of your appointment included the proviso that it was subject to ACOBA's approval. Surprisingly, the same proviso was not included on the update to your Linkedin.com profile. Regardless, the Ministerial Code is explicit that former ministers '...must ensure that no new appointments are announced, or taken up, before the Committee has been able to provide its advice'.

Failing to await advice before announcing the role is a clear and unambiguous breach of the government's Rules and the requirements of the ministerial code. ACOBA's established practice is not to provide advice in these circumstances.

Please find enclosed the full exchange of correspondence, including the reporting of this matter to the government, as the owners of the Rules. In line with ACOBA's commitment to transparency, all correspondence will be published on the website.



The Rt Hon Lord Pickles

2. Correspondence from Mr Merriman to The Rt Hon Lord Pickles, 7 November 2024

Dear Lord Pickles

I write, at your request, following your letter dated 4 November 2022. In this letter, you referenced that my '....appointment as Chair of the Liverpool to Manchester Railway Partnership Board was announced by the Greater Manchester Combined Authority '. You further referenced that this, and the inclusion of the title on my own LinkedIn page, 'was made before receiving ACOBA's advice on the appointment.'

First of all, I apologise if any actions have been deemed to be in contravention of the correct practice. Through my nine years as a Member of Parliament, I have always sought to follow the rules and have never had any action called into question by those responsible for standards and codes. The appointment to the Railway Partnership Board was, as stated in the same announcement which you have highlighted, made 'subject to the approval of the Advisory Committee on Business Appointments (ACOBA)'. It was therefore felt that ACOBA would remain, and remains, the final arbiter on this appointment being finalised.

I understand your view that the approval should have been made before the announcement, and not subject to it. I apologise. To your point about the steps I took myself to ensure probity to the appointment, I would highlight the following by way of explanation and assurance:

- I am not receiving any payment for the role and I am covering my own travel and accommodation expenses;
- The ACOBA guidance states that 'Generally, ACOBA's experience is that the
 risks related to unpaid roles are limited ... These cases will normally be
 subject to the standard conditions after confirming the details of your
 application with the relevant department';
- I hope that application to ACOBA demonstrates that the role is well within the standard conditions:
- The delivery of the proposed railway is a shared objective between the national and regional Governments and was supported by the last Conservative Government and by the current Labour Government;
- The objective of the Railway Partnership Board, and Railway Board, is to work with, and assist, the Government to build the best business case for the proposed new railway (we are thus all working to the same public cause); and

 The Railway Board was not in operation during my time as Rail Minister albeit, as mentioned above, the proposed railway had been progressed during my time in office.

I first contacted ACOBA in the middle of September and, again, on 19th September (the day I was informed that the Railway Board wished to appoint me to chair the Railway Partnership Board). I referenced that the Railway Board were seeking to ratify the role at their next meeting and referenced to ACOBA that I would seek for this appointment to be subject to ACOBA approval. I apologised for the short timescale from the Railway Board making timely decisions on the board composition and setting a schedule to make progress.

There was an initial suggestion, given the above, from your officials that I may not need to complete an application form but I was subsequently asked to do so. I completed the application form, with only limited sections being relevant due to the role being an unpaid role within the public sector, and stated that the aim of the board was to have its first meeting at the end of October. I asked if ACOBA would be willing to use the end of October as a target date to process the application form and was told, on 3 October, that I would receive an update on timings. I have not heard further from ACOBA prior to your letter of this week.

I took the decision to stand down from Parliament earlier this summer but did not regard this as an end to public service. I view the Railway Partnership Board appointment as public service and I am keen to use my time purposefully and not be unproductive. I would be grateful if you would accept my apology for not being aligned with your preferred process and hope you will be willing to approve the application, subject to the standard rules (which I believe all apply to this proposed appointment) or other such requirements you may deem reasonable.

Yours faithfully,

Huw Merriman

3. Letter from The Rt Hon Lord Pickles to Mr Merriman, 4 November 2024



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/8, 1 Horse Guards Road, London, SW1A 2HQ Telephone: 020 7271 0839 Email: acoba@acoba.gov.uk

Website: http://www.gov.uk/acoba

Mr Huw Merriman By email

4 November 2024

Dear Huw,

Re: Application for advice on the role of Chair, Liverpool to Manchester Railway Partnership Board

I have been alerted to the fact that your appointment as Chair of the Liverpool to Manchester Railway Partnership Board, whose remit includes offering strategic advice and support to the development and delivery of Northern Powerhouse Rail, was announced by the Greater Manchester Combined Authority on 2 October 2024¹ and is listed on your profile on Linkedin.com². These announcements were made before receiving ACOBA's advice on the appointment.

The requirement to seek and abide by ACOBA's advice is set out clearly in the Ministerial Code³, including specifically that former ministers 'must ensure that no new appointments are announced, or taken up, before the Committee has been able to provide its advice'. The government's Business Appointment Rules exist to protect the integrity of government. Applicants have a personal responsibility to understand and comply with the Rules and to manage the propriety of appointments taken up after leaving government service.

ACOBA therefore requires an explanation of your failure to wait for ACOBA's advice; given your previous role as a government minister with responsibility for rail,

¹ <u>www.greatermanchester-ca.gov.uk/news/former-rail-minister-to-chair-liverpool-manchester-railway-partnership-board</u>

² uk.linkedin.com/in/huw-merriman-202812290

³ www.gov.uk/government/publications/ministerial-code/ministerial-code

including Northern Powerhouse Rail⁴. What steps have you taken to ensure probity in this appointment?

It is ACOBA's policy to report breaches of the Rules to government, and in line with our policy of transparency, we will publish our correspondence in due course. I would be grateful for a reply to this letter before Monday 11 November 2024. Your reply, or any failure to respond, will be included in our publication.

I would also take this opportunity to remind you to seek and await final advice for any new appointment or employment you plan to take up within two years of leaving office.

Zvie Pidees

The Rt Hon Lord Pickles

⁴ www.gov.uk/government/ministers/minister-of-state--149