

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: Luke Hall, former Minister of State (Minister for Skills, Apprenticeships and Higher Education) at the Department for Education. Paid appointment with National Grid plc.

1. You approached the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Ministers (the Rules) seeking advice on taking up a paid role as a Head of External Affairs and Stakeholder Engagement with National Grid plc (National Grid).
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 National Grid, as a former minister. 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. National Grid is one of the UK's largest utility companies, which owns and operates electricity and gas transmission networks in the UK, and produces and

supplies energy in the US. National Grid is regulated by The Office of Gas and Electrical Markets (Ofgem), an arm's length body of the Department for Energy Security and Net Zero (DESNZ). There is a significant contractual relationship between National Grid and the government, relating to the electricity and natural transmission and distribution network of Great Britain.

6. There is no overlap between your ministerial responsibilities at DfE and National Grid's work. You were not involved in policy, regulatory or commercial decisions specific to National Grid. Therefore, the Committee¹ considered the risk this appointment could reasonably be perceived as a reward for decisions or actions taken in office is low.
7. As a former minister, there are inherent risks that you may have had access to sensitive information which could benefit a range of organisations. Given there is no direct overlap between this role or the company's work and your time in government, the Committee considered this risk is limited. Further your former department is not aware of any specific information you had access to that could offer the National Grid an unfair advantage.
8. There are risks associated with any former minister joining a commercial organisation that undoubtedly seeks to influence government, whether in respect of policy, or the specifics of work it is in partnership with government to deliver. There is a risk that joining the company in a role centred on external affairs and stakeholder management could be construed as seeking to influence the UK government on behalf of the company, which would be contrary to the lobbying ban which applies to all former ministers for two years after leaving office.
9. You have stated clearly that the role would not involve lobbying the government, nor does the role involve negotiating on commercial or funding decisions; and it is significant that National Grid confirmed this, as noted in the annex below. You noted that you would respond to government consultations. Responding to requests from government, such as through a consultation would be in keeping with the lobbying ban, though you must avoid engaging in activity that could reasonably be seen as seeking to influence government decisions. This includes regulatory decisions made at arm's length from the government, such as by Ofgem.

The Committee's advice

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

10. Given the focus of the role on external affairs and engagement, it is significant that National Grid confirmed its adherence with the Committee's advice, and in particular that you would not be involved in any lobbying of the UK government. The Committee considered it significant that National Grid confirmed this would not form part of your role and that it would comply with this advice and the conditions imposed.
11. The Committee determined the risks identified in this application 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 office to the unfair advantage of National Grid.
12. The Committee advises, under the government's Business Appointment Rules, that your appointment with **National Grid plc** 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 service;
 - for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK government on behalf of National Grid plc (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 National Grid plc (including parent companies, its subsidiaries, partners and or clients; and
 - for two years from your last day in ministerial office, you should not provide advice to National Grid plc (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 and its arm's length bodies.
13. 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.² It is an applicant's personal responsibility to

² All Peers and Members of Parliament are prevented from paid lobbying under the 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.

understand any other rules and regulations they may be subject to in parallel with this Committee's advice.

14. 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.
15. 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".
16. 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.
17. 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. National Grid plc is a British multinational electricity and gas utility company headquartered in London. Its principal activities are in the United Kingdom, where it owns and operates electricity and natural gas transmission networks, and in the Northeastern United States, where, as well as operating transmission networks, the company produces and supplies electricity and gas, providing both to customers in New York and Massachusetts.
2. Ofgem regulates the National Grid. According to National Grid's website, the company submits its business plans to Ofgem, who reviews and assesses these for the regulatory period, which is known as a 'price control' period.³ National Grid is on the RIIO framework⁴ set by Ofgem.
3. In your paid, full-time role as Head of External Affairs and Stakeholder Engagement, you would be responsible for the communications on National Grid Electricity Distribution (NGED) and ensuring customer and stakeholder views are reflected in the organisation's strategic direction. You stated your responsibilities will be to:
 - Develop and deliver a robust and industry leading engagement strategy that ensures customer and stakeholder engagement sits at the heart of the company's business plan and that NGED's strategy reflects the region it serves.
 - Lead a team of regional engagement professionals to ensure high quality and effective delivery of local public affairs, policy, and regional development activities.
 - Lead the delivery, performance, and development of the team.
 - Develop and regularly review NGED's external affairs strategy, ensuring it is aligned with business unit and group strategic priorities.
 - Lead the role of NGED Corporate Affairs in coordination of responses to government consultations, liaising closely with the corporate centre to ensure the views of distribution are clearly articulated.
 - Provide oversight of and input into executive and President briefings, ensuring senior representatives of the business are briefed on topical issues and the latest company positions.

³ Ofgem set price controls for the gas and electricity network companies of Great Britain. Price controls balance the relationship between investment in the network, company returns and the amount that they charge for operating their respective networks.

⁴ The RIIO framework is a regulatory framework that Ofgem uses to ensure that energy network companies deliver value for money services to consumers: <https://www.ofgem.gov.uk/energy-policy-and-regulation/policy-and-regulatory-programmes/network-price-controls-2021-2028-riio-2>

- Take responsibility for NGED's Policy, Regulation and Reputation Executive Committee.
- Develop, maintain and coordinate a network of external contacts to support the company's strategic priorities.
- Work across the business to pro-actively develop and/or shape public policy messages ensuring all positions are aligned with company narrative.
- Act as internal consultant for NGED leaders on the best approach to political and stakeholder messaging to maximise impact.
- Work closely with members of the NGED executive team to understand their enduring and project-specific engagement needs.
- Act as deputy for Director of Electricity Distribution Corporate Affairs when required at Group Corporate Affairs Leadership Team, the NGED Executive Team, and externally.
- Play an active role as member of the Electricity Distribution Corporate Affairs Leadership Team, supporting the Corporate Affairs Director to shape and continually develop the Corporate Affairs Department, promoting a positive, safe, inclusive, and diverse team culture and maximising colleague engagement and empowerment.

Contact with government

4. As the role description above outlines, the role will involve responding to government consultations. Being responsible for engagement, it could include some engagement with local and national government. You confirmed the role will not involve lobbying of the UK government.

Correspondence with National Grid

5. You said that you and National Grid will ensure you observe any restrictions advised by the Committee in carrying out your duties. National Grid confirmed, in writing, its understanding of and agreement to comply with the Committee's advice, stating that:

'National Grid is aware of and fully supports the Business Appointment Rules (BARs) and will ensure full compliance. As part of his employment, Mr Hall will be required to abide by all conditions advised by ACOBA...he will not engage in any lobbying of the UK Government on behalf of National Grid - this is not a requirement of the role to which he is being appointed as Government Relations are managed by a separate part of National Grid....Mr Hall's role does not have any involvement with bids or Government contracts.'

Dealings in office

6. You did not meet with National Grid while in office and there is no relationship between the company and your former department. You also confirmed you did not have any involvement in policy, nor did you make any decisions relevant to National Grid while in office.

Departmental Assessment

7. DfE confirmed the details you provided, confirming:
 - you were not involved in any policy, regulatory or commercial decisions with National Grid;
 - it did not consider you to possess sensitive information that may confer an unfair advantage to National Grid;
 - it did not have concerns with the appointment.
8. DfE recommended the standard conditions.