

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon Chloe Smith MP, former Secretary of State for the Department of Science, Innovation, and Technology. Unpaid appointment with The Chartered Institute of Personnel and Development.

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 an appointment with The Chartered Institute of Personnel and Development (CIPD) as President.
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 time in office, alongside the information and influence a former minister may offer CIPD. The material information taken into consideration by the Committee is set out in the annex below.
3. The Committee has advised that a number of conditions be imposed to mitigate the potential risks to the government associated with this appointment under the Rules; this is not an endorsement of this appointment in any other respect.
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 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 risk presented

5. When considering this application, the Committee¹ took into account that this role as President of CIPD is unpaid.² Generally, the Committee's experience is that the risks related to unpaid roles 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. Those risks include: using privileged access to contacts and information to the benefit of themselves or those they represent. The Rules also seek to mitigate the risks that individuals may make decisions, or take action in office, in expectation of rewards on leaving government. These risks are significantly limited in unpaid cases due to the lack of financial gain to the individual.
6. There are inherent risks that any former Cabinet minister will have had access to a range of information and access to government that could unfairly benefit an outside organisation.

The Committee's advice

7. The Committee did not consider this appointment raises any particular propriety concerns under the government's Business Appointment Rules. While there are inherent risks associated with your access to sensitive information and contacts, the standard conditions below will sufficiently mitigate this case.
8. Taking into account these factors, in accordance with the government's Business Appointment Rules, the Committee advises this appointment with **The Chartered Institute of Personnel and Development** 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 arms' length bodies on behalf of CIPD (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the government and/or ministerial service to influence policy, secure business/funding or otherwise unfairly advantage CIPD (including parent companies, subsidiaries, partners and clients); and

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; Baroness Thornton; and Mike Weir.

² By unpaid the Committee means that no remuneration of any kind is received for the role. Applicants must declare where it is agreed or anticipated they may receive remuneration or some other compensation at some stage in the future.

- for two years from your last day in ministerial office you should not undertake any work with CIPD (including parent companies, subsidiaries, partners and clients) that involves providing advice 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 its arms' length bodies.
9. 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.
 10. 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.
 11. 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.*" This Rule is separate and not a replacement for the Rules in the House.
 12. You must inform us as soon as you take up employment with this organisation(s), or if it is announced that you will do so. Please also 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.
 13. 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.

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 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.

The Rt Hon Lord Eric Pickles

Annex - Material information

The role

1. The Chartered Institute of Personnel and Development (CIPD) is a professional body for HR and people development. It has over 160,000 members internationally, working across private, public and voluntary sectors. CIPD pursues a wide range of activities including research, surveys, publications, advisory services, training courses, conferences, contributions to public policy and extensive media coverage.
2. You said that your unpaid, part-time role with CIPD would involve the following responsibilities:
 - leadership of the organisation;
 - advocating for CIPD in the profession and raising awareness of its impact;
 - acting as an ambassador of CIPD, championing the organisation and its purpose;
 - enhancing CIPD's links with the wider business community, policy and academic communities;
 - promoting and sharing the vision, strategy and values of CIPD;
 - supporting the Chief Executive and Senior Leadership Team in leading the debate for people issues, HR, learning and development and, organisational development;
 - encouraging open discussion and thought leadership on key issues, new initiatives and innovations so that the CIPD remains relevant to its membership and the wider communities it influences and serves;
 - acting as a critical friend and mentor to the Chair and Chief Executive, working collaboratively with them giving advice and support as required;
 - attending and participating in relevant key external CIPD events and conferences;
 - attending all council meetings and general meetings (no voting capacity);
 - attending board meetings when invited by the Chair.
3. You said that your role will involve contact with government and arms length bodies - to enhance CIPD's links with the wider business community, policy and academic communities, as in the description above. You said that in doing so, you will not use any contacts gained in office, lobby for policy change, advise on the subject matter or terms of a bid to the UK government, or engage with areas for which you had responsibility in government.

Dealings in office

4. You said you did not have contact with, or make any policy, operational or commercial decisions specific to CIPD as Secretary of State for the Department for Science, Innovation and Technology (DSIT), or at the department for Work and Pensions (DWP). You also said that you did not have access to any information from your time as a minister that could grant CIPD an unfair advantage.

Department Assessment

5. DWP and DSIT were consulted on this application.
6. DWP said that you attended a roundtable as Minister of State for Disabled People, Health and Work in June 2022, where CIPD was in attendance.
7. DWP also said that it uses CIPD for services providing HR qualifications for staff and advice on HR matters. You had no involvement in this.
8. DWP and DSIT stated that you did not make any policy or regulatory decisions which affected CIPD and confirmed that you did not have access to sensitive information that could grant CIPD an unfair advantage.
9. Both departments had no concerns about this application and recommended the standard conditions.