



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

G/7 Ground Floor, 1 Horse Guards Road SW1A 2HQ

Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk

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

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BUSINESS APPOINTMENT APPLICATION: Adam Smith, former Chief of Staff to the Chancellor of the Exchequer at HM Treasury. Paid appointment as Managing Partner at the independent consultancy - Granville Park Partners.

1. Mr Smith approached the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Crown Servants (the Rules) seeking advice on joining the recently established independent consultancy, Granville Park Partners, where he will be Managing Partner.
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 Mr Smith's time in office, alongside the information and influence he may offer this consultancy and his clients. The material information taken into consideration by the Committee is set out in the annex below.
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 Rules¹ 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

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.

Life.

The Committee's Consideration

Consultancy

5. Mr Smith is joining a new independent consultancy set up by his wife. The consultancy is described as focused on providing communications, strategy and policy advisory services across a range of sectors. It is relevant that Mr Smith has worked in public affairs, communications and policy for a number of employers, both in and outside of government.
6. It would not be improper for Mr Smith to operate a consultancy which draws on generic skills and experience gained from his time in Crown service. The potential risks are hard to quantify given the broad and wide ranging nature of the consultancy; that clients are as yet unknown; and he had access to a wide range of sensitive information and insight whilst in office. There are risks Mr Smith could offer a potential unfair advantage over competitors – whether in relation to seeking new clients, or in providing them with advice.
7. Given his proximity to decision makers during his time as the most senior adviser to the Chancellor, there are also risks attached to his potential to offer unfair influence/access to government. Any direct contact with government on behalf of his consultancy or its clients in this role risks a reasonable concern that he is seeking to influence the government, which would be contrary to the lobbying ban that applies to Mr Smith for two years on leaving office. This would not prevent him from responding to the government in the event that ministers or officials should contact Mr Smith, nor from any social contact unconnected to this work.
8. This advice provides Mr Smith consent only to set up a consultancy, subject to a number of conditions. It does not give him consent in relation to any possible future clients. He must seek advice in relation to each client, so that risks can be assessed and it will need to be demonstrated by him and his former department that the work would be appropriate under the Rules.
9. The Committee² considered this consultancy should be made subject to a waiting period from his last day in Crown service to put a gap between his access to information at the Treasury and his offering a broad range of services to clients. It is likely that the upcoming Autumn Budget – a major

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

fiscal event – will significantly limit those risks. After the budget, it is much less likely that Mr Smith will be able to offer insights beyond those arising from his general knowledge and experience, which the Rules do not prevent him from doing. The Committee therefore considers it proportionate to apply a waiting period ending on budget day together with the other conditions below.

Future commissions

10. Mr Smith must seek advice from the Committee for each commission he wishes to accept. Whether the conditions set out below can sufficiently mitigate the risks presented by any future commission he proposes to take up will depend on the specific details of each piece of work. Any failure to seek advice before accepting work would be a breach of the Rules and treated as such - including reporting breaches to the government.
11. The risks under the Rules will be most significant where Mr Smith seeks to provide advice on matters where he had insight or access to sensitive information in office - these applications will need close scrutiny. The Committee will want to carefully consider the suitability of this work, and may impose further conditions/a waiting period if there are particular risks that warrant such advice. Where conditions and a suitable waiting period cannot appropriately mitigate the risks, the Committee may advise the work is unsuitable³ to take up within the two years the Rules apply. The Committee will consider such risks on a case by case basis.

The Committee's advice

12. All potential clients must be notified of this advice, and when seeking work/new clients, Mr Smith must adhere to the conditions below. Under the government's Business Appointment Rules, the Committee advises that this independent consultancy, **Granville Park Partners**, should be subject to the following conditions:
 - he must not take up the role before 31 October 2024;
 - 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 must not have any direct engagement with the UK government on behalf of Granville Park Partners or its clients;

³ Should an applicant subsequently take up or announce this work, ACOBA will publish relevant information

- for two years from his last day in Crown service, he should not become personally involved in lobbying the UK government 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 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 any company or organisation on the terms of, or with regard to the subject matter of, a bid or contract with, or relating directly to the work of the UK government; 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.
13. The advice and the conditions under the government's Business Appointment Rules relate to an applicant's 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.⁴ 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.
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 Civil Service Code or otherwise.
15. 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*

⁴ 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.

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. Mr Smith must inform us as soon as he takes up this role, or if it is announced that he will do so. He must 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, and where appropriate, refer to it in the relevant annual report.

Yours sincerely,

Shaneez Mithani
Committee Secretariat

Annex - material information

The role

1. Consultancy - Granville Park Partners. This is a newly established independent consultancy, which was incorporated by Mr Smith's wife on Companies House in May 2024. He described it as a strategic communications and policy consultancy. It will provide services in:
 - i. Strategy -identifying strengths and weaknesses to better achieve goals and make informed decisions to stay ahead of competitors.
 - ii. Policy -advising on how policy is crafted, to enable assisting in campaigning for policy change.
 - iii. Communications -general comms, for example, speeches and crisis communications.
2. Mr Smith said that as Managing Partner he will advise clients on how to navigate communications and policy changes and obtain new business.

3. Mr Smith noted his considerable experience in government affairs and communications. In addition to having worked at the House of Commons, and government departments, he was also previously the Head of Corporate Communications at Sky Betting and Head of Communications and Policy at the Financial Services Compensation Scheme. He also noted his wife's considerable experience in public policy and communications, having worked at Four, The House of Commons, Hume Brophy and Brunswick Group.

Department assessment

4. HMT confirmed the details in his application. It noted the difficulty in assessing risk without known clients and that, as the most senior adviser to the Chancellor, there is risk associated with his broad access to privileged information in office. It recommended the standard conditions for such an application.