

From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon Penny Mordaunt, former Leader of the House of Commons and Lord President of the Council. Paid appointment with SubSea Craft Limited.

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 with SubSea Craft Limited (SubSea Craft) as Chair of the Board.
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 SubSea Craft 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. SubSea Craft is a Portsmouth-based engineering firm that researches, develops, manufactures, and delivers maritime technology. Its flagship

product is called VICTA – a submersible hybrid craft – targeted at addressing challenges faced by international militaries. You said that your role as Chair would involve chairing board meetings and holding the executive team to account.

6. You did not make any policy, regulatory or commercial decisions specific to SubSea Craft whilst in office. Therefore, the Committee¹ determined that the risk you were offered the role as a reward for your actions taken in office is low.
7. As a former minister, there are general risks associated with your access to privileged information. The Cabinet Office considered that you have no access to specific information that could grant an unfair advantage to SubSea Craft. Further, you have been out of office for six months, creating a gap between your access to information in government, and the taking up of this role.
8. There are risks associated with your influence and network of contacts gained whilst in ministerial office. SubSea Craft has an interest in military and defence matters. Therefore, there is a risk that you could be seen to offer SubSea Craft unfair access to government.

The Committee's advice

9. The Committee considered the risks discussed above are appropriately mitigated by the following conditions. These make it clear that you must not make use of privileged information, contacts or influence gained from your time in ministerial office to the unfair benefit of SubSea Craft.
10. In accordance with the government's Business Appointment Rules, the Committee advises this appointment with **SubSea Craft Limited** 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 any of its arm's length bodies on behalf of SubSea Craft (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your

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

contacts in the government and/or ministerial office to influence policy, secure business/funding or otherwise unfairly advantage SubSea Craft (including parent companies, subsidiaries, partners and clients);

- for two years from your last day in ministerial office, you should not provide advice to SubSea Craft (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, or any of its arm's length bodies.
11. 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 understand any other rules and regulations they may be subject to in parallel with this Committee's advice.
 12. 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.
 13. 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.*"
 14. 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 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.

² 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.

15. 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. SubSea Craft is an engineering firm that is manufacturing physical and digital maritime technology. VICTA, its flagship submersible hybrid craft, is designed to deliver personnel and payloads in a clandestine manner. SubSea Craft targets militaries, navies, and private companies. The concept was developed through partnership with the University of Portsmouth, with input from operators, military strategists and supporting force elements worldwide. The company has worked with the US Navy.
2. You wish to take up a part-time, paid role as a Chair of the Board. You said your role would be as follows:
 - a. Chairing six board meetings per year.
 - b. Chairing six catch up meetings per year.
 - c. Attendance at large sector events as a representative of the company
 - d. Overseeing risk and audit of the board, as well as challenging the executives on the board.You said that your role will not involve any contact with government, nor would it involve business development or advising clients.
3. You said that you were approached directly by the company, as it is looking to replace its existing chair.

Dealings in office

4. You said that you did not make any policy, regulatory or commercial decisions specific to SubSea Craft while in Office. You did meet with the company in May 2024, in your capacity as an MP, as it was based in your constituency. This visit was not undertaken in your capacity as a minister.³
5. Between May and July 2019 you were the Secretary of State for Defence. You said that you had no involvement with SubSea Craft in this role.

Departmental assessment

6. The Cabinet Office was consulted on this application. It confirmed the details you provided, and recommended the standard conditions be applied.

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<https://www.adsadvance.co.uk/penny-mordaunt-mp-explores-subsea-craft-s-autonomous-capabilities.html>