

OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: Lord Liam Booth-Smith, former Chief of Staff at No.10 Downing Street. Paid appointment with Anthropic PBC.

- Lord Booth-Smith sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Crown Servants (the Rules) on taking up a role with Anthropic PBC (Anthropic) in External Affairs.
- 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 taken during Lord Booth-Smith's time in office, alongside the information and influence he may offer Anthropic. 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 Rules 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 Life.

The Committee's consideration of the risks presented

5. Anthropic is a US-based Artificial Intelligence (AI) startup company founded in 2021. In February 2025, the UK government (led by the Department for

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

Science, Innovation and Technology (DSIT) signed a Memorandum of Understanding with Anthropic on exploring AI opportunities² and how AI can transform UK public services.³

- 6. As a Special Adviser, Lord Booth-Smith's role in government precluded direct responsibility or involvement in contractual and commercial decisions. However, as noted by the Cabinet Office in the annex below, No.10 would have had oversight on the underpinnings of AI policy across the public sector. In May 2023, Lord Booth-Smith attended a meeting of the then-Prime Minister and officials with the CEOs of OpenAI, Deepmind and Anthropic, to discuss the safe and responsible development and governance of AI. Lord Booth-Smith attended this meeting as an observer and it is significant that he was not involved in decisions specific to Anthropic, as a result of this meeting or otherwise. Therefore, the Committee⁴ considered the risk that this appointment could reasonably be perceived as a reward for decisions made or actions taken in office is limited.
- 7. Given Lord Booth-Smith's former role at No.10, and given that AI policy was one of the then-government's priorities, he is likely to have had access to sensitive information that could unfairly advantage any company operating in AI. The Committee considered a number of factors that limit this risk:
 - o it has been over eleven months, plus a change of government and general policy direction since Lord Booth-Smith's time in government providing a gap between his access to information and taking up this appointment.
 - whilst No.10 would have had interest in AI, policy and regulation for this subject sits with DSIT.
 - the Cabinet Office did not consider Lord Booth-Smith to possess any particularly sensitive information that may confer an unfair advantage to Anthropic
- 8. The risk regarding Lord Booth-Smith's access to information is most likely to arise should he advise Anthropic or its clients in relation to matters for which he had specific responsibility in office. Further, the company's clients and the precise pieces of work he will be asked to undertake are unknown, which increases the risk of giving such advice.
- 9. There are also risks associated with Lord Booth-Smith's network of contacts in external organisations gained whilst in Crown service. In working in External

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² www.gov.uk/government/publications/memorandum-of-understanding-between-the-uk-andanthropic-on-ai-opportunities/memorandum-of-understanding-between-uk-and-anthropic-on-ai-opportunities

³ www.anthropic.com/news/mou-uk-government

⁴ This application for advice was considered by Andrew Cumpsty; Isabel Doverty; Hedley Finn OBE; Sarah de Gay; Dawid Konotey-Ahulu CBE DL; Michael Prescott; The Baroness Thornton; and Mike Weir.

Affairs, his role will involve assisting Anthropic in reaching out to new entities with an interest in its work across Europe. There is a risk of unfair advantage to Anthropic should he draw for this purpose on private sector contacts that he only gained as a result of his role at No.10.

- 10.As a former senior Crown servant, there is a risk that Lord Booth-Smith might be seen to offer unfair access to, and influence within, government for Anthropic. Lord Booth-Smith and the company confirmed his work excludes any lobbying of the UK government – which all former senior Crown servants are prevented from doing for two years after leaving government service, and lobbying activities would be carried out by other senior personnel as noted in the annex below.
- 11. The Committee's view is that there remains a risk associated with Lord BoothSmith's influence in government, particularly as he seeks to take up a role in External Affairs. Anthropic is currently developing a UK presence to promote its services with a wide range of applications, including with and across the UK government. Lord Booth-Smith must avoid engaging in activity that could reasonably be seen as seeking to influence government decisions, including approaching the government, whether special advisers, other officials or ministers about its approach or policy on Anthropic's behalf. If he was to initiate contact with the UK government it would be difficult to manage the risk that this is seen as lobbying.

The Committee's advice

- 12. The Committee determined the risks identified can be appropriately mitigated by the conditions below. These make it clear that Lord Booth-Smith cannot make use of privileged information, contacts or influence gained from his time in Crown service to the unfair advantage of Anthropic. Alongside the standard conditions, to mitigate the risk associated with advising unknown clients and areas which may overlap with his time in government service, the Committee has imposed a restriction which makes it clear that Lord Booth-Smith should not advise on work that arises where it relates to matters he had a specific role in developing or determining during his time at No.10 Downing Street.
- 13.It is significant that Anthropic confirmed its adherence with the Committee's advice, and said that Lord Booth-Smith would not be involved in any lobbying of the UK government, which would fall to others within Anthropic. The Committee's advice is that Lord Booth-Smith should have no direct engagement with the UK government on Anthropic's behalf. Any contact initiated by the government would not be contrary to the Rules or the Committee's advice.

- 14. The Committee's advice in accordance with the government's Business Appointment Rules is that Lord Booth-Smith's appointment with **Anthropic PBC** be subject to the below conditions:
 - 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 should not become personally involved in lobbying the UK government or any of its arm's length bodies, on behalf of Anthropic PBC (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 contacts to influence policy, secure business/funding or otherwise unfairly advantage Anthropic PBC (including parent companies, subsidiaries, partners and clients);
 - for two years from his last day in Crown service, he should not provide advice to Anthropic PBC (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;
 - for two years from his last day in Crown service, he should not advise Anthropic PBC (including parent companies, subsidiaries, partners and clients) or its clients on any work with regard to any policy he had specific involvement in or responsibility for as Chief of Staff at No.10 Downing Street nor where he had a relationship with the relevant client during his time in his role:
 - for two years from his last day in Crown service, he should not become personally involved in lobbying contacts he developed during his time in Crown service in other governments and organisations for the purpose of securing business for Anthropic PBC (including parent companies, subsidiaries and partners); and
 - for two years from his last day in Crown service, he should not have any engagement on behalf of Anthropic PBC (including parent companies, subsidiaries, partners and clients) with the UK government.
- 15. The advice and the conditions under the government's Business Appointment Rules relate to Lord Booth-Smith'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' Interests⁵. Lord Booth-Smith is reminded that, as a Member of the House of Lords, he is prevented from any paid lobbying under the House of Lords Code of Conduct. 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.

- 16. 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/Civil Service Code or otherwise.
- 17. 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."
- 18.Lord Booth-Smith must inform us as soon as he takes up this work or if it is announced that he will do so. Similarly, he must inform us if he proposes to extend or otherwise change his role with the organisation as, depending on the circumstances, it might be necessary for him to seek fresh advice.
- 19. Once this appointment has been publicly announced or taken up, we will publish this letter on the Committee's website.

Yours sincerely,

Hamzah Rizvi

Committee Secretariat

Annex – material information

The role

 Anthropic PBC is an American artificial intelligence startup company founded in 2021. Anthropic has developed a family of large language models named Claude, as a competitor to OpenAI's ChatGPT and Google's Gemini. According to its website, Anthropic operates as a Public Benefit Corporation (PBC),

⁵ 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.

- meaning its purpose is the responsible development and maintenance of advanced AI for the long-term benefit of humanity.
- 2. On 14 February 2025, after Lord Booth-Smith left office, the UK government (led by the Department for Science, Innovation and Technology) signed an Memorandum of Understanding with Anthropic on Al opportunities and to explore how Al can transform UK public services.
- 3. In his paid, full-time role working in External Affairs, Lord Booth-Smith stated his responsibilities will be in:
 - supporting policy development at Anthropic as the company considers the challenges of increasingly powerful AI models, their deployment and the wider social and economic impacts.
 - helping Anthropic reach out to new organisations and individuals who have an interest in its work across Europe.
 - working on speculative projects as they emerge, including supporting the company's leadership in thinking through, and articulating, the organisation's perspective on wider strategic implications of AI technology and its development.
- 4. Lord Booth-Smith stated his role involves working on future policy questions for the company, as the technology develops and becomes potentially deployable in different areas of the economy and society, and not relying on any privileged information that he had access to while in government.
- 5. Lord Booth-Smith stated that the role may involve occasionally attending or speaking at events where officials or ministers are present. He added that as a serving member of the House of Lords, he is bound by the Code of Conduct for Peers prohibiting direct contact with Crown servants/ministers pertaining to the work of his proposed employer. He added that after his period in which he is no longer subject to the Rules, he will remain adhering to the Code of Conduct for Peers. In being alive to concerns around any conflicts Lord Booth-Smith has, Anthropic has hired a specific UK-focused policy person who will deal with UK government liaison as and when necessary. He confirmed his role will not involve lobbying the UK government on behalf of his proposed employer.
- 6. Lord Booth-Smith applied for an advertised role, and then engaged in a series of discussions with Anthropic which resulted in the formal offer of employment.

Correspondence with Anthropic

7. Anthropic confirmed in writing its understanding of, and agreement to comply with, the Committee's advice. Further, the company confirmed Lord

BoothSmith's role will not involve lobbying of the UK government, and lobbying activities would be carried out by other senior personnel.

Dealings in office

- 8. Lord Booth-Smith stated that he attended, as an observer, a meeting of the then Prime Minister and officials with the CEOs of OpenAI, Deepmind and Anthropic. 6 He stated that it was the only occasion on which he had any interaction with Anthropic and that he did not speak at the meeting or speak to any Anthropic representatives after it.
- Lord Booth-Smith stated that he was not involved in any policy, commercial or regulatory decisions specific to Anthropic during his recent time in Crown service.
- 10. Lord Booth-Smith stated that he does not possess sensitive information that may provide Anthropic an unfair advantage. He stated that given the new government has made a number of significant advances on a range of policy areas in spaces such as Al since his time in government, the previous policy knowledge inside government he held is outdated.

Departmental assessment

- 11. The Cabinet Office confirmed Lord Booth-Smith's contact with Anthropic.
- 12. The Cabinet Office confirmed that Lord Booth-Smith was not involved in policy, commercial or regulatory decisions specific to Anthropic. The department stated that as a Special Advisor his role would have precluded from direct responsibility or decision-making on contractual or commercial work which reduces the perceptive risk of reward for past favours as does the fact that this role has come about following an open advertisement and fair competition.
- 13. The Cabinet Office mentioned that during Lord Booth-Smith's time in Crown service the department had oversight of some AI policy by leading on establishing the necessary underpinnings to drive AI adoption across the public sector, by improving digital infrastructure and access to data sets, and developing centralised standards. This work continues within the Department for Science, Innovation and Technology (DSIT).
- 14. The Cabinet Office confirmed that Anthropic has a relationship with the UK government The department referred to the Memorandum of Understanding signed on behalf of all government departments by DSIT on 14 February 2025

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⁶ https://www.gov.uk/government/news/pm-meeting-with-leading-ceos-in-ai-24-may-2023

- in order to deploy the Claude model developed by Anthropic within government departments, including the Cabinet Office.
- 15. The Cabinet Office stated that there is some risk, real or perceived, of Lord Booth-Smith retaining privileged knowledge of the inner workings of government, to an external organisation and its clients for the purposes of influencing UK government policy. However, the department stated this risk is somewhat diminished as there has been a change in political leadership since he left government over eleven months ago, and it is unlikely that all retained information will be of significant benefit to his prospective employer. Therefore, it considers the risk relating to his access to information to be limited.
- 16. The Cabinet Office provided its concerns regarding the perceived risk of lobbying on the behalf of Lord Booth-Smith's proposed employer, stating that there is an established relationship between the UK government and Anthropic, and this relationship may grow over time to include more government contracts. As such, the Cabinet Office considered that there is a risk he may use his privileged understanding of contracts within government as well as his contacts within government to help achieve this.
- 17. The Cabinet Office recommended the standard conditions to appropriately mitigate the risks noted above.