From the Chair



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon Lucy Frazer, former Secretary of State for the Department of Culture, Media and Sport. Paid appointment with Quantexa Limited.

- 1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Ministers (the Rules) on taking up a paid appointment with Quantexa Limited (Quantexa) as an Advisor on the Advisory 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 taken during your time in office, alongside the information and influence you may offer Quantexa 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. Quantexa is a global AI, data and analytics software company that creates decision intelligence solutions for organisations. It operates across the banking, insurance and public sectors. It holds several contracts with government to provide data and analytics services. Your role as an Advisor will be to advise the Board and CEO on strategy, and it will be internal to the company.
- 6. You did not meet with Quantexa, nor did you make any decisions specific to the organisation whilst in office. 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. Though there is no direct overlap between your responsibilities in ministerial office and this role, it is likely that, as a former Secretary of State and Cabinet Minister, you would have had access to a broad range of information from across government that could grant any company, including Quantexa, an unfair advantage. Your former department, the Department for Digital, Culture, Media, and Sport (DCMS), said that you did not have access to any specific information that could unfairly advantage Quantexa, and the currency of any information to which you had access will have diminished in the 11 and a half months since you left office.
- 8. There is a risk that your influence and contacts within government could be perceived to benefit Quantexa unfairly. This is because Quantexa has a clear interest in government policy and contracts. This risk is limited given Quantexa's existing relationship with government, and as such would not require your influence; and the fact that your role will not involve any contact with government.

The Committee's advice

- 9. The Committee considered that the risks raised by this application can be appropriately mitigated by the conditions below. These seek to prevent you from making improper use of privileged information, contacts and your influence to the company's unfair advantage.
- 10. In accordance with the government's Business Appointment Rules, the Committee advises that this appointment with **Quantexa Limited** be subject to the following conditions:

¹ This application for advice was considered by Isabel Doverty; Hedley Finn OBE; Michael Prescott; and the Baroness Thornton. Sarah De Gay was unavailable.

- 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 Quantexa Limited (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 Quantexa Limited (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office, you should not provide advice to or on behalf of Quantexa Limited (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

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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.

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 Quantexa, 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.
- 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.

Isabel Doverty

Interim Chair ACOBA

Annex – Material Information

The role

- Quantexa's website states that as a pioneer in network analytics, it leverages
 its data and analytics technology to empower organisations across banking,
 insurance, and the public sector. Their mission is to help these entities identify
 and connect crucial relationships, leading to improved operational decisions.
 In the government sector, Quantexa's work spans various areas, including tax
 authorities, healthcare, customs agencies, border control, and investigations
 into fraud, waste, and abuse.
- 2. You will be taking up a paid, part-time role as an Advisor to the advisory board at Quantexa. You said that your responsibilities would involve offering internal strategic advice to both the advisory board and the CEO, with no client-facing responsibilities. You said that the role will not involve any contact with government.

Dealings in office

- 3. You gave the Committee the following information about your time as Secretary of State at DCMS:
 - you did not meet with Quantexa;
 - there are no contracts between DCMS and Quantexa:
 - Quantexa holds contracts with other government departments, but you had no specific details;
 - you made no commercial, policy or regulatory decisions that specifically impacted Quantexa; and
 - you had no access to sensitive information that could grant Quantexa an unfair advantage.

<u>Departmental Assessment</u>

- 4. DCMS confirmed the details above that you provided in your application, and flagged no risks arising from this appointment from its perspective.
- 5. DCMS proposed the standard conditions.

Contracts between government and Quantexa

- 6. For context, the following contracts exist with Quantexa, across government:
 - Cabinet Office:
 <u>Provision of a Data Management and Counter Fraud Detection</u>

 <u>Software and Support, Contract start date: 3 March 2025, Contract end</u>

date: 2 March 2030, Value of contract: £5,000,000

Network Analytics and Entity Resolution, Contract start date: 28 July 2021, Contract end date: 27 July 2022, Value of contract: £362,280

HMRC:

<u>UCR Entity Resolution</u>, Contract start date: 19 September 2024, Contract end date: 18 September 2026, Value of contract: £1,998,161

• BEIS:3

DDaT23211, Contract start date: 12 June 2023, Contract end date: 11 June 2024, Value of contract: £229,200 to £458,400

Crown Commercial Service:

<u>Provision of a Single Network Analytics Platform</u>, Contract start date: 18 January 2023, Contract end date: 2 January 2026, Value of contract: £3,462,000

<u>Fraud Network Analytics and Entity Resolution (Covid-19 Loan Schemes)</u>, Contract start date: 31 March 2022, Contract end date: 31 March 2023, Value of contract: £540,000

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³ ACOBA understands that as of 7 February 2023 BEIS' functions were split between DESNZ, DBT, and DSIT. This contract is reported in this advice letter as it was reported to ACOBA.