



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>

September 2025

BUSINESS APPOINTMENTS APPLICATION FOR ADVICE: Sarah Harrison CB MBE, Chief Operating Officer at the Cabinet Office. Paid appointment with the Building Societies Association

1. Ms Harrison 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 a role with the Building Societies Association (the Association).
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 Ms Harrison's time in office, alongside the information and influence a former senior Crown servant may offer the Association. The material information taken into consideration by the Committee is set out in the annex.
3. The Committee¹ considered whether it was unsuitable for Ms Harrison to take up this role given the organisation's work has the potential to conflict with the Rules as result of its influencing agenda. The Committee also considered the information provided by the department and Ms Harrison. That includes evidence of no direct overlap with her recent responsibilities as Chief Operating Officer and the Cabinet Office and the financial services sector the Association represents.
4. There is provision in the government's Rules to modify the lobbying ban². The Committee applies conditions, including a ban on lobbying the UK government, for two years unless there are compelling reasons to do otherwise. The Committee determined there were compelling reasons in the

¹This application for advice was considered by Hedley Finn OBE; Sarah de Gay; Isabel Doherty; Dawid Konotey-Ahulu CBE DL; Michael Prescott; and The Baroness Thornton.

²

<https://www.gov.uk/government/publications/business-appointment-rules-for-crown-servants/business-appointment-rules-for-crown-servants>

specifics of Ms Harrison's application to modify the lobbying ban without significant risks to the integrity of government. The Committee's advice is not an endorsement of this appointment in any other respect.

5. The Rules³ 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 risk presented

6. The Association is a not for profit organisation which represents the interests of building societies and credit unions in the UK. Building societies and credit unions differ from other major financial institutions as they are member owned mutual organisations (mutuals). Whilst these organisations are run as commercial businesses and they operate in the same regulatory environment - their purpose is different to other financial institutions. Unlike institutions operating to the benefit of their shareholders, building societies and mutuals operate to the benefit of their members.
7. The Association is primarily funded by its members and pushes for the best outcomes from new and changing regulation and legislation. Ms Harrison wishes to take up the post of Chief Executive. She said her responsibilities would include: setting and implementing a new forward strategy and providing advice and insight in response to key stakeholders, including government and regulators on the issues and opportunities facing the building societies, credit union and mutuals sector.
8. Ms Harrison's role as Chief Operating Officer has no known overlap with this proposed role and the work of the Association. Whilst there is a key stakeholder and regulatory relationship between the organisation and government, this sits outside of her former department and responsibilities. For example, the government funded the Law Commission's independent review of the legal framework to enable updated and modernised legislation; and the Association is a member of a new Mutuals and Cooperatives Business Council led by industry and supported the Chancellor to act as a conduit for industry engagement. These relationships and associated decisions sit within HM Treasury (HMT) and the Department for Business and Trade (DBT). Therefore, there is no evidence this role could reasonably be perceived as a reward for decisions or actions taken whilst in post.
9. Due to the breadth of Ms Harrison's work, as a senior civil servant at the heart of the Cabinet Office, she likely has had access to information across a broad spectrum of issues. Ms Harrison has not been involved in, or responsible for, financial services policy and her corporate role is focussed on operational delivery. The risk associated with her access to information is

³ 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.

not specific to the Association or its work and therefore is significantly limited.

10. One of the Association's main activities is to engage with the government to influence the regulatory and policy landscape that directly affects its members. The current Chief Executive of the Association already works closely with the government, not least given the government's commitments to double the size of the mutuals sector to promote competition and achieve economic and social benefits to citizens. The current Chief Executive of the Association works directly with government, including sitting on the relevant Business Council and working groups. It has also been active in raising awareness and seeking to influence the government by publishing open letters to the government representing the Association's members' views. Ms Harrison does not wish to be precluded from wider policy discussions, such as at roundtables and industry events; or meetings with government as described here and subsequent follow up activity. In particular she noted the primary interest HMT and DBT have in helping secure the development of the mutuals sector as part of the government's priorities for economic growth.
11. The arrangements which are already in place for routine contact between government and the Association limits the risk of unfair advantage. In the circumstances, the contact described in paragraph 10 could not reasonably be described as improper use of contacts and influence from Ms Harrison's time in office. The Cabinet Office has also demonstrated the limitation of Ms Harrison's network, as a result of her corporate and operational role which has been separated from policy work. She has had no sight of, or involvement in, any policy work in the mutual sector at HMT or at DBT.
12. However, Ms Harrison will have contacts and influence within the UK government, particularly in the Cabinet Office and she will have had some contact with other central government departments including HMT and DBT. In particular Ms Harrison previously worked at DBT's predecessor. As such, there remain limited risks her network at the Cabinet Office gained in office might be used to assist the Association unfairly.
13. The Committee also took into account the nature of the mutuals sector and that Ms Harrison has a background and experience in regulation having worked for various government regulators outside of financial services in the past. For example, she worked with regulatory frameworks and markets whilst at Ofgem.

The Committee's advice

14. As above, the risks associated with Ms Harrison's access to information are significantly limited and there is no real risk of reward. The risks under the Rules the Committee is concerned with are those associated with the possible unfair access and influence any senior civil servant operating at the heart of government might offer the Association.

15. The Committee has carefully considered the request of the Cabinet Office, as owner of the Rules, to reduce the lobbying ban in this case. The Committee agreed it is unlikely there would be a reasonable suspicion that Ms Harrison offers significant unfair influence within HMT or DBT, especially if she is prevented from making improper use of her privileged network of contacts in office. In coming to this conclusion the Committee was mindful not only of the separation of her work in office and this role, but the existing open and active engagement between the Association and government which is in the public domain and which Ms Harrison has said will continue.
16. The Committee determined the risks identified in this application can be appropriately mitigated by conditions below. These make it clear she cannot make use of any privileged access to information, contacts or influence gained from her time in government service to the unfair advantage of the Association. Further, that after three months the lobbying ban should not apply to HMT and DBT, allowing Ms Harrison to engage freely with the departments, including via the Business Council.
17. In the circumstances, the Committee's advice in accordance with the government's Business Appointment Rules is that this work with **the Building Societies Association** should be made subject to the following conditions:
- she should not draw on (disclose or use for the benefit of herself or the persons or organisations to which this advice refers) any privileged information available to her from her time in Crown service;
 - for three months from her last day in Crown service, she should not become personally involved in lobbying His Majesty's Treasury or the Department for Business and Trade, and its arm's length bodies on behalf **the Building Societies Association** (including parent companies, subsidiaries, partners, members and clients);
 - for two years from her last day in Crown service, she should not become personally involved in lobbying the UK government and its arm's length bodies, with the exception of His Majesty's Treasury and the Department for Business and Trade, on behalf **the Building Societies Association** (including parent companies, subsidiaries, partners, members and clients); nor should she make use, directly or indirectly, of her contacts in the government and/or ministerial contacts to influence policy, secure business/funding or otherwise unfairly advantage **the Building Societies Association** (including parent companies, subsidiaries, partners, members and clients); and
 - for two years from her last day in Crown service she should not provide advice to the Building Societies Association on the terms of, or with regard to the subject matter of, a bid or contract relating directly to the work of the UK government or any of its arm's length Bodies.
18. 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' Interests⁴. 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.

19. 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.
20. 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*'.
21. Ms Harrison must inform us as soon as she takes up this role, or if it is announced that she will do so. She must also inform ACOBA if she proposes to extend or otherwise change the nature of her role as, depending on the circumstances, it may be necessary for her to make a fresh application.
22. 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,

Cat Marshall
Committee Secretariat

Annex - material information

The organisation

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.

1. Building societies and credit unions are member owned mutual organisations. Borrowers and savers automatically become members when they take out a loan, a mortgage or open a savings account. Whilst these organisations must be run strictly as businesses; and they operate in the same regulatory environment - their purpose relative to banks and other financial institutions is different. Unlike a plc operating to the benefit of its shareholders, a mutual operates to the benefit of its members.
2. The Building Societies Association is a not for profit organisation which describes itself as the voice of building societies and credit unions in the UK, representing 42 building societies, 7 credit unions and 26 million customers. It is primarily funded by its members.
3. The Association's objective is to champion and support its members which it describes as pushing for the best outcomes from new and changing regulation and legislation. To do this it works with, amongst others, the UK government, Parliament and regulators (the Prudential Regulation Authority and the Financial Conduct Authority). It also works closely with European partners as a member of the European Association of Co-operative Banks (EACB).
4. The Association states its economists and specialist policy teams have expertise covering mortgages and housing; green finance; savings; financial policy and legal, governance and compliance matters. It also: speaks out on issues relevant to building societies, credit unions and their members (borrowers and savers); and provides technical information to members on a range of topics.

The role

5. Ms Harrison wishes to join the Association as Chief Executive, a full time paid role. She was offered this role following open recruitment.
6. In her role she will be:
 - leading the organisation and workforce on matters of operational delivery, financial management and controls and supporting the Association's Council as the governance and decision making body.
 - overseeing the development and provision of a range of member services which include: policy and regulatory advice, data, research and insight covering mortgages, housing, savings, market trends and consumer preferences. Providing training and events for members,

offering consumer guidance and advice and running consumer campaigns including the annual 'UK Savings week'.

- setting and implementing a new forward strategy for the organisation
- providing advice and insight in response to key stakeholders, including government, regulators, parliamentarians, consumer and business organisations on the issues and opportunities facing the mutuals sector (and specifically building societies and credit unions). This will include helping this Government fulfil its manifesto commitment to double the size of the mutuals sector in the UK, recognising the invaluable role mutuals and cooperatives play in driving inclusive growth across the UK.
- representing the Association in the media and on public platforms.

Contact with government

7. Ms Harrison expects to have contact with government in this role, but not with her current department, the Cabinet Office. She said:

- she would not seek to make use of private contacts and instead maintain the formal channels and contacts which have been well established between government and the Association and used consistently by the current CEO of the organisation over the last 12 years he has been in the role, as well as by the Association's Chair, Council and its members.
- any contact with ministers would be in the normal course of business, such as responding to consultations, attending meetings and roundtables - such as the newly established Mutual and Cooperative Business Council, as well as other similar engagements to assist the government in its work to unlock the full potential of the mutuals sector in driving inclusive growth across the UK and competitiveness in financial services.

8. By way of illustration, the recent possibility of changes to government's position on cash ISA's is a useful illustrative example of the kind of work Ms Harrison seeks to take up. The current Chief Executive signed an open letter to government setting out concerns about the impact on people from '*all walks of life to build financial resilience and achieve their savings goals*'. It urged the government to maintain the current position⁵.

5

<https://www.bsa.org.uk/media-centre/press-releases/open-letter-to-the-chancellor-cash-isas>

9. Ms Harrison noted she has previously worked in regulation and said she would expect to contribute her professional regulatory experience and expertise to strategic sector goals. Further she said that whilst she has met and worked with ministers from time to time - her regular engagement and influence is more focused on senior officials in operational and corporate roles and with the Permanent Secretary and Accounting Officer in the Cabinet Office.
10. Rather, Ms Harrison said the larger part of her career has been in sector and competition based regulation. Her accountabilities included, among other things, ensuring access to markets and services, consumer protection, inclusion and enforcement. Ms Harrison sees this as a return to making use of this experience, as the sector is heavily regulated. Her work will include a focus on measures which promote consumer engagement; tackle barriers to ensure access to services (in particular mortgages and savings products) and to enable financial inclusion. Her career has largely been in wider government regulators:
- Chief Executive, Gambling Commission
 - Senior Partner, Sustainable Development, Ofgem
 - Managing Director of Corporate Affairs, Ofgem
 - Communications Director, Ofgem
 - Chief Executive, ICSTIS (The Independent Committee for the Supervision of Standards of Telephone Information Services)
 - Her earlier career was in government and public relations consultancy.

Dealings in office

11. Ms Harrison said she has had no involvement in decisions of relevance to the sector or the Association and neither has she had access to privileged information of relevance.
12. Ms Harrison confirmed she has not worked in financial services policy and while in central government, rather her roles have been in corporate and operational delivery. Therefore, there is no read across to the policy areas which are of interest to the Association.
13. Ms Harrison worked at BEIS before joining the Cabinet Office several years ago and has never worked at HM Treasury (the department for fiscal policy in relation to Building Societies and financial services). Another key department with a policy interest in the sector is the Department for Business and Trade (DBT), this concerns the growth of the mutuals and cooperatives sector. Whilst she previously worked at BEIS (the predecessor department to DBT), she had no policy responsibility.

Information in the public domain

14. The Mutual and Cooperative Business Council is a newly established, industry-led group in the UK. Its primary purpose is to work in collaboration with the UK government to help achieve the ambition of doubling the size of the mutual and cooperative sector in the country. It is supported by the Chancellor, who announced its formation in November 2024 - it is led by some of the UK's largest mutuals, along with key sector trade bodies including the Association and Co-operatives UK to ensure representation from both large and small businesses within the sector.
15. Government's commitment to growing the cooperative and mutual sector:
- The Labour Party manifesto set out its aim to double the size of the mutual and cooperative sector: 'Labour will support diverse business models which bring innovation and new products to the market. This includes the co-operative sector, and we will aim to double the size of the UK's co-operative and mutuals sector. We will work with the sector to address the barriers they face, such as accessing finance.'
 - To support this growth, the government is funding the Law Commission's independent review of the Co-operative and Community Benefit Societies Act 2014 and the legal framework for friendly societies. This aims to update and modernise the legislation to better meet the needs of the sector.⁶
 - There was also a call for evidence on potential reforms to credit union common bonds⁷ - now concluded.
 - As above, the Chancellor has also supported the setting up of the Mutual and Cooperative Business Council led by industry as a conduit for working with HMG to help achieve the ambition of doubling the size of the sector.

Departmental assessment

16. The Cabinet Office confirmed there is no overlap with Ms Harrison's time in office, including in respect of access to information and decision making. The department's view was that there were no concerns around the propriety of this appointment, noting:
- the applicant applied for the role with the department's knowledge and endorsement, through a competitive process. The role is regarded as a *'good fit for her exceptional leadership and communications skills and*

⁶ <https://questions-statements.parliament.uk/written-questions/detail/2024-10-24/900981>

⁷ <https://questions-statements.parliament.uk/written-questions/detail/2025-04-17/45623>

previous background in regulation and advocacy (albeit not financial regulation)'.

- *that 'anybody would reasonably conclude that she has been successful in her appointment through the strength of her credentials rather than any perception of reward.'*

17. The Cabinet Office recommended the standard conditions alongside an amendment to the lobbying ban. In particular, that after an initial three months of the standard lobbying ban, it should be limited to allow her to have contact that might be seen as influencing the government in limited circumstances. The Cabinet Office considered it would be improper for her to seek to contact and influence the Cabinet Office as this is the department she has been working in at a senior level for the last five years. However, it did not consider there was any risk to the integrity of government if Ms Harrison was to make public comment and initiate meetings seeking to influence government policy HMT and DBT - considering there is little risk she offers any particular unfair access/influence in these departments.

18. In coming to that view, alongside the lack of overlap with Ms Harrison's role at the Cabinet Office, the department said it had given weight to:

- the pre-existing and established engagement between the Association and government; and
- the government's specific interests in the expansion of the mutuals and cooperatives sector (of which Building Societies and Credit Unions are a major part). Particularly in driving inclusive growth across the UK; and competitiveness in financial services

19. The Permanent Secretary said this was *'...completely in the spirit of the business appointment rules but also a proportionate series of measures allowing Sarah to pursue a new opportunity and bring her experience and expertise to bear on a new sector, helping inform its strategic approach to regulatory compliance and financial inclusion.'*