

# Treasury Committee

Oral evidence: [Lessons from Greensill Capital, HC 151](#)

Thursday 13 May 2021

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Members present: Mel Stride (Chair); Rushanara Ali; Mr Steve Baker; Harriett Baldwin; Anthony Browne; Felicity Buchan; Dame Angela Eagle; Emma Hardy; Julie Marson; Siobhain McDonagh.

Questions 295-430

## Witnesses

[I](#): Rt Hon David Cameron.

Written evidence from witnesses:

– Rt Hon David Cameron:

[David Cameron Letter regarding Greensill Capital](#)

[David Cameron Timeline](#)

[David Cameron Details of Contact - Greensill Capital](#)



## Examination of witnesses

Witnesses: David Cameron.

Q295 **Chair:** Good afternoon, and welcome to the Treasury Select Committee and our evidence session into the lessons from Greensill Capital. I am very pleased to be joined this afternoon by David Cameron. Welcome to the Committee. Could I ask you to briefly introduce yourself? I believe you have a short statement that you would like to make to the Committee. Can I ask you to make that statement now, please?

**David Cameron:** Thank you very much. It is good to be with you. I am David Cameron, former Prime Minister. Thank you for letting me make an opening statement.

This is a painful day, coming back to a place that I love and respect so much, albeit virtually, but in these circumstances. I have had plenty of time to reflect on what has happened. I welcome this inquiry and its related reviews, and I believe there are important lessons to be learned.

It was the greatest honour of my life to be Prime Minister of this country. When my service as Prime Minister came to an end, I wanted to build a new career based on a mix of charitable and pro bono work for causes that I care about, like dementia and international development, and business interests in areas of cutting-edge technology. I believe that an ex-Prime Minister should be able to do that, and I thought carefully about the choices I made and took extensive advice.

As part of that range of activity, I will explain why I chose to work for Greensill Capital, the circumstances under which I contacted Government Ministers and others, and my motivations for doing so. I will also explain how I bided by the rules that were in place.

Rules alone are never enough—we learned that in this place over so many issues. Personal conduct and codes of behaviour, and how such conduct and behaviour both appear and can be perceived—these things matter too. I completely accept that former Prime Ministers are in a different position from others, because of the office that we held and the influence that continues to bring. We need to think differently and act differently.

Lobbying itself is a necessary and healthy part of our democratic process, but I accept there is a strong argument that having a former Prime Minister engage on behalf of any commercial interest, no matter how laudable the motives and cause, can be open to misinterpretation. Perhaps that is especially so when the communication systems we all use, particularly in the heat of responding to a crisis, are text, phone and app, rather than the more formal approach of writing. I hope it is accepted that nothing I did was in breach of the rules, but on the wider test of what is appropriate, as I have said previously, it would be better only to use the most formal means of contact, via a letter.

I started working as a senior adviser to Greensill Capital in August 2018. Lex Greensill wanted me to help him grow what was becoming a



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successful UK-based fintech firm. There was geopolitical strategic advice, helping with international expansion, speaking at customer and supplier events, and helping to win new customers. I liked the fact that the business was using technology and deep capital markets to help small businesses and supply chains to get low-cost credit, to get paid early.

I had seen how this had worked in Government, when Lex Greensill was brought in by Jeremy Heywood to advise my Administration from 2011, though at the time, as I have explained, I only met him very briefly. This was all part of the civil service drive to improve Government efficiency. In bringing him in, Jeremy was acting in good faith to solve a real problem: how to ensure companies and supply chains, particularly SMEs, could access low-cost credit.

In terms of my role, I was not employed at Greensill as a lobbyist, and lobbying the UK Government was never intended to be part of my role. However, in the economic turmoil caused by Covid, the Government quite rightly introduced several schemes to help ensure that credit would continue to be expanded to business.

The Greensill proposal was to make this even more effective, and I believed that it should be considered by Government. This was particularly the case as what was being suggested was very similar to action that had been taken during the financial crisis in 2008, in which businesses like Greensill had been involved.

My motivation for contacting Ministers and others was to help UK firms at this moment of difficulty and to ensure that fintech firms, and Greensill in particular, were listened to, as well as the major clearing banks. My reason for contacting the Chancellor and others so directly was because these solutions were being considered, introduced and amended in rapid time, and I believed Greensill could help the country at this time of acute health and financial crisis.

I knew that any meetings between Greensill and officials that were being asked for would quite rightly be publicly reported, not least because of the rules on transparency that I helped to put in place as Prime Minister. Greensill was not asking for direct Government support or some sort of bail-out, and at this stage—April last year—I certainly had no sense at all that the business itself was in any danger of collapse.

Separately, in 2019, Greensill had decided to extend the idea of paying suppliers early to business's most important supplier of all—its workforce. I thought this was a very appealing idea. Allowing employees to draw down their salary as they earned it, for free, rather than having to wait till the end of the month, seemed an effective way, amongst other things, to help end the scourge of payday lending. For firms in the private sector, while there would be a charge for the employer, there would never be a charge for the employee, and in the public sector, it would be free for both employer and employee. I became an enthusiastic supporter of this new app—Earnd, it was called—and wanted to promote it to the NHS and other



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public sector bodies. I could see a profound social benefit from the take-up of this technology.

I am desperately sorry that Greensill and Earnd went into administration. Hundreds of hard-working people have lost their jobs, and many more are threatened by the consequences. As I was neither a director of the company nor involved in any lending decisions by the company, I have no special insight into what ultimately happened, but I am as keen as anyone to learn the lessons, and hope that these inquiries will help with that process.

I know you are also examining the rules governing lobbying and business appointments after Ministers and officials leave office, and any special arrangements for former Prime Ministers, and on that subject I have these brief thoughts. The lobbying rules were put in place to deal with lobbying by multi-client firms, rather than employees of individual businesses, to ensure that those being lobbied knew on whose behalf they were being contacted. This was, of course, backed by the fact that the existence of all relevant and subsequent meetings with businesses are then made public. If lobbying registration can be extended to in-house operatives, without excessive bureaucracy or damaging the interests of charities, there is a case for making that change.

The body that vets jobs for former Ministers and civil servants—ACOPA—is well established and, in my view, works, but its examination of appointments should be mandatory and comprehensive, and its decisions should be enforceable. As I said at the outset, former Prime Ministers are in a different category, and I have read the arguments for different, special arrangements. A longer period before any contact with Government over any commercial issue could be appropriate, and a new special committee, over and above ACOPA, to advise on post-office appointments might help with choices that need to be made.

Can I thank you, Chair, for letting me make that opening statement?

**Q296 Chair:** Thank you, David, for that. That did run over what we had agreed in terms of time, I have to say. I was not intending to raise this, but I will as a consequence of that: we were allocated rather less time for this session than we had asked your office for so that we could complete our scrutiny effectively. So I feel bound to ask you now: in the event that we don't get through this session having fully scrutinised all the areas with you that we require to, could I have a commitment from you now that you will return to this Committee to answer any subsequent questions we may have?

**David Cameron:** Of course, we have got—I think—two hours, and I am very happy to start running the clock from now. So, if that helps, I'm certainly happy to do that.

**Q297 Chair:** The question was, in the event that we don't get through everything. We had over three hours, in fact. That would be an hour less, I think, on average, compared with the other sessions we have had,



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including with Lex Greensill himself. So, could I have a commitment that, in the event that we don't get through everything today, you will come back and appear before us again?

**David Cameron:** I am very happy to answer all the questions.

Q298 **Chair:** Good. Okay. Sorry, just so I am very clear, when you say, "happy to answer all the questions," that is a yes to coming back to the Committee if we request it?

**David Cameron:** Let's see how we get on. We've got, effectively, until five o'clock, but if we haven't got through them, then of course we can do this again.

Q299 **Chair:** I think the Committee would justifiably expect a straight answer to that question as to whether you—

**David Cameron:** I have said that if we don't get through it, then I am very happy to come back again.

Q300 **Chair:** Okay. I take that, therefore, unless you are going to contradict me, to mean that if we do not get through it to the satisfaction of the Committee and we therefore invite you back that, you will come back and answer our further questions.

**David Cameron:** Of course.

Q301 **Chair:** Thank you very much.

Now, you mentioned in your statement, David, that you were not a director of Greensill, which of course is true, but Lex Greensill, when he gave his evidence to us this week, stated that you had an open invitation to board meetings and that you attended regularly. Is that the case?

**David Cameron:** Yes.

Q302 **Chair:** Okay. Thank you. During the run-up to the pandemic and the pandemic itself, did you take part in discussions on the board of Greensill, or were you there simply as an observer?

**David Cameron:** I was there invited to attend the board, but I would take part in the board meetings and listen to the arguments and make contributions, sometimes particularly on geopolitical matters and suchlike. So, yes, I was a regular attender and would contribute, but of course there are a lot of board issues that are director-only. I did not sit on the credit committee. I did not sit on the risk committee. I did not sit on the audit committee or any of those sorts of functions, so I wasn't involved, as it were, in the day-to-day running of the business or credit decisions, but, yes, of course I would listen to the discussions and make contributions.

Q303 **Chair:** Did those discussions at the time that the pandemic emerged include the difficulties that Greensill may in the future face as a consequence of the pandemic?

**David Cameron:** I don't recall, because, of course, the pandemic hit very quickly. I would have to go back and check exactly when the board



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meetings were. I did have discussions with Lex Greensill himself about what, effectively, was a sort of mini economic heart attack as the Covid situation hit. We were in a situation where no one knew how high unemployment would go, how badly growth would be affected or exactly what would happen to credit markets. It was, going back to that time, an extraordinary economic period, so of course we were discussing those things.

Q304 **Chair:** Would you have discussed the future potential threat that the pandemic posed in terms of the availability, for example, of credit insurance going forward, an increased risk of the clients of the company defaulting and the pressure on continued access to funding through the securitisation process within the model that Greensill was working to?

**David Cameron:** I don't recall particular discussions on the insurance issue. There were discussions, obviously, about the state of the credit markets and the access to credit markets. The concern there was that the companies and supply chains that we helped to finance may struggle in those markets, and it was very important to keep those markets open. So, yes, there was that discussion and of course—I am sure we will come on to this—the remarks of the Governor of the Bank of England that supply chains were important and the effect of the pandemic on supply chains was something that needed to be looked at.

Q305 **Chair:** Did you recognise that the extent to which the pandemic would impose pressure on the insurance market, and therefore, by extension, the ability of Tokio Marine and others to provide insurance to the Greensill business, was a potential major problem coming down the track that you should have been able to foresee?

**David Cameron:** I don't recall that particular conversation, as I say. I will have to go back and check exactly when the board meetings were and whether I was in attendance, but the discussions I remember, as Covid hit and as the economic problems started, were about the state of the credit markets and the impact that that might have on, particularly, businesses not being able to access credit. That was really the discussion that we were having, and then that obviously turned into this issue of what we could do to try and help at that stage.

Q306 **Chair:** I am thinking more about Greensill and its position at the moment, so back at the time when the lobbying was happening.

**David Cameron:** As I say, I don't recall any particular conversations about the insurance issue. In terms of my conversations about Greensill, Greensill was in good financial health. We had had the SoftBank investment into the company, which had put \$1 billion, effectively, into the company. Greensill had a successful 2019. It looked set to have a successful 2020. Obviously, Covid was going to have its impact, but at no stage in those conversations was I aware in any way of any concern that Greensill would be in any serious financial difficulty. This might be a tougher year than the one before. No one could quite tell what was round the corner, but there was certainly no sense of jeopardy, if that is what you are asking.



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Q307 **Chair:** Was there, though, a sense that with the pandemic the appetite within the insurance sector for taking risk would be diminished—I think that is a well-understood concept—and, therefore, there might have been some possibility that it would be much more difficult for Greensill to secure that insurance cover, which, after all, totally underpinned the model that it was running?

**David Cameron:** As I say, the conversations I remember, and I would have to go back to the board meeting, were more about the state of the credit markets and the ability there would be—. As people were talking, I remember that in this period, the whole conversation in Government and finance was, “What can we do to make sure that banks keep lending? What can we do to make sure credit markets stay open and businesses can access credit?” I don’t remember particular conversations about the insurance situation. As I say, I am not on the credit and risk committees, so there may have been conversations going on elsewhere, but that wasn’t particularly the conversation I was having at that time.

Q308 **Chair:** Can I ask you a delicate question, but I think a very important one? You spoke in your opening statement about the motivations that you had for the lobbying etc.—helping SMEs and so on. What was the arrangement, in broad terms, in terms of your personal arrangement with the business? I believe you may have had some share options etc. There has been all sorts of speculation in the press, with some people saying that you suggested to friends that you could, if everything went the right way, make a gain of about £60 million. Others have said that is a vastly inflated figure. Can you tell us something about what you would have expected to gain had your involvement gone to plan and you had an effective exit from the business at some point in the future?

**David Cameron:** I was paid a generous annual amount—far more than what I earned as Prime Minister. I had shares—not share options—in the business, which vested over the period of time of my contract. It is important for the Committee to know that I absolutely had a big economic investment in the future of Greensill. I wanted the business to succeed. I wanted it to grow. I haven’t put a number on those things because, while I think that, in the questions you are asking—what was my role, how did I carry it out, was it appropriate to lobby, did I overstep the mark; you know, the broader questions of what ex-Prime Ministers should and shouldn’t do—the fact that I had this economic interest, and a serious economic interest, is important, I don’t think the amount is particularly germane to answering those questions, and as far as I am concerned, it is a private matter.

Q309 **Chair:** Well, it is and it isn’t, though. If the incentive was a matter of some tens of thousands of pounds, that would be distinctly different than if it was multiple millions of pounds, in terms of the potential motivation you therefore had for the lobbying that was carried out. I mean, you must accept that. Do you view the £60 million figure as just totally absurd, or are we talking—



**David Cameron:** It is a completely absurd figure. I can tell you that the motivation for contacting the Government was that I thought we had a really good idea for how to help extend credit to thousands of businesses, and I would quite like to explain why I thought it was such a great idea. I have sat on the other side of the fence, in Government, where you have a credit crunch and you have difficulties in the credit market, and you are desperate to get banks lending and you are desperate to get credit to businesses. I well remember standing at the Dispatch Box and being asked, "This scheme that you announced six months ago—how many companies are taking part? How many banks are taking part?" and often having to give very disappointing answers. So I was very keen for us to put forward our scheme, because I thought it was absolutely in the public interest to try and get money into small businesses.

Q310 **Chair:** That's fine. As I say, my questions are delicate questions, but I think they are important questions, because if there is a large amount of money riding on this business succeeding, that is a different situation from a small amount of money riding on the business succeeding. I think I take it from what you are saying that there was at least a significant amount.

**David Cameron:** I had a significant—I wanted this business to succeed. I was being paid, I had shares, I had an interest in it, and I think that is important for the Committee to know. Of course, just as if a bank takes part in a loan guarantee scheme, that is good for the country because those loan guarantees will go to businesses, so with Greensill, if our scheme had been accepted, of being able to use supply chain finance bonds to get cash into business up and down the country, that would have been good for those businesses, but also good for us, and I wouldn't hide that for a second. But as I say, the motivation, having been on the other side of the fence, knowing, when you are looking for these solutions, that it is so difficult sometimes to make them work, was about trying to help the Government to get those schemes right.

Q311 **Chair:** You made that point, and we are clear on that. Thank you.

In your written evidence to us, you said: "I became concerned that the company might be in serious financial difficulty...in December 2020." That is not quite the same as, for example, at the time of the lobbying, believing that there were looming issues coming down the track. There seems to be quite a lot of evidence out there that you might have come to the conclusion that, while you are right that the company was not about to fall over at the start of the pandemic, when the lobbying happened, it was none the less going into some fairly choppy waters. Lex Greensill, in his evidence to us, said that at the time of the lobbying, "we did not know...what was going to happen next." He said that the CCFF access was a liquidity insurance policy and went on to say that this was a "prudent" thing to do—in other words, to try to get access to the CCFF. He also told us: "It is important also, if I can remind the Committee, that for the credit insurance market, Covid was an extraordinarily frightening time, when there was an expectation of very, very significant losses." Given the centrality of the availability of insurance to the model—indeed,



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when it was removed, the whole business collapsed—that is quite a powerful thing to say. He was saying that in relation to the period that the lobbying was occurring.

There were press reports throughout the run-up to the pandemic and during it. For example, on 4 May 2020, during the period of the lobbying, the FT reported that Greensill had suffered “a raft of client defaults”. We had parliamentary questions from Lord Myners asking the Government to investigate various aspects of Greensill’s business going back to June 2019, well before the lobbying occurred. We had an email from Lex Greensill to Charles Roxburgh at the Bank of England on 21 March, during the period of the lobbying, in which he said: “with capital markets closed to us we may need to reduce the credit we can deliver in the coming week should the CCFF not be open to us.” Your email to Sir Jon Cunliffe on 22 April, once again as part of the lobbying, said: “while some parts of the capital markets are operating well for Greensill, capacity remains severely constrained”. The FCA, in its response to my letter, said: “In early 2020, and particularly after the onset of the pandemic in March, there was widespread distress in financial markets across financial services firms and other sectors of the economy. It was reported at various times in the media that Greensill may be one of many such firms facing defaults. FCA staff were aware of these reports.”

However, you are saying, or seem to be saying, that at the time of the lobbying, you did not believe that there was a significant looming threat to business. Of course, as a business heading into difficult waters, access to CCFF would have helped Greensill’s clients and so helped Greensill itself, so I have to put a difficult question to you, David, and I think it is right that I do so. Many people would conclude that, at the time of your lobbying, your opportunity to make a large amount of money was under threat, not least because of the pandemic and its likely future impact on the insurance arrangements that held the whole business together. You surely must have known that, and your fear of losing out on those substantial gains motivated you to conduct this barrage of texts, WhatsApps, emails, meetings—over 60 contacts in total—towards Government Ministers and civil servants. What do you have to say to those who hold that view?

**David Cameron:** That is not what I felt at the time and it is not what motivated me. I think there is a huge difference between constrained capacity in the credit markets and the risk of a business failing. I think that when Lex Greensill was in front of you he also said that he did not believe that there was a danger of the business failing at that time. He did not think the business faced failure until—as I did—December 2020. If you look at what went on and happened in the rest of that year, the business actually had quite a successful year, extending a similar amount of credit in 2020 to what it did in 2019.

On the issue of defaults, like any financial institution, you have clients that occasionally default, but the insurance effectively covered that, as far as I understand. Lex Greensill gave the example of NMC, which did fail, for all sorts of reasons, but Greensill was able to recover the money for its clients

because of the insurance situation. I can absolutely say to you that I really believed in the solution that we had and were putting to Government. I thought it would make a difference—that was my motivation for doing so. I have spent most of my adult life in public service. I believe in it deeply. I would never put forward something that I didn't think was absolutely in the interests of the public good. That is what I thought I was doing on Greensill's behalf.

I am sure we will come on to—we can deal with it in detail—the fact that there was quite a lot of contact and quite a lot of persistence, and I can explain why there were very good reasons for that, and I think it is important we cover that. But, just to be absolutely clear, I did not believe in March or April, when I was doing this contact, that there was a risk of Greensill falling over. I didn't think that. I think if you look at what happened later on in that year—Greensill was looking at a very successful capital raise; a lot of people wanted to invest in the business. Just take the example of furlough. If this was a business in trouble, presumably it would have been furloughing its staff. I think it has 1,000 employees and it didn't even access furlough until December 2020 when I think it furloughed six people in the property department.

Of course, it is absolutely right to ask these questions, but I am 100% clear that my motivation for contacting the Government is that I thought we had good ideas to help with the credit crisis.

As I said in my statement, the Government actually, I think, did an amazingly good job in introducing schemes that really did work, but at that time, in March and April, there was this sense of schemes being introduced but not working quite properly and then being amended and then being reintroduced. I know what it is like—you are looking for things that are going to work.

Q312 **Chair:** Okay. Let's not get into furlough schemes and what the Government did.

Can I move on to the Treasury, briefly? Part of our remit in this inquiry is to satisfy ourselves that the Treasury responded to your lobbying appropriately. I think you would accept that you would have received additional consideration—shall I put it that way?—from the Treasury and the Bank of England, by virtue of who you are. Can you quantify or qualify the extra influence that you think you would have had, given you are a former Prime Minister?

**David Cameron:** First of all, I would point to the evidence that Tom Scholar and Charles Roxburgh gave to the PAC—not yet to your Committee—where they effectively said they thought it was perfectly appropriate that they were contacted; they didn't feel under any special pressure; they thought this was an area of business—supply chain finance—that should be looked at; they thought there could be merit, if the right scheme could be come up with.

I think those are all important considerations, but I would make this point—this is sort of one of the reasons I thought it was appropriate, in



these extraordinary times, when we were suffering this economic heart attack in the country, to pick up the phone—which is I knew from my time in government, that, quite rightly, when there are economic difficulties, the Treasury is in contact with every clearing bank. The clearing bank chairmen and chief executives are calling up, quite rightly, and talking to the Treasury. I thought it was important that supply chain finance and fintechs, who are these days extending a lot of credit to small businesses, also were able to put their points.

I think it is an industry that is less well understood and that has less contact. I think it was important, as well as talking to the banks—completely right—that this conversation took place as well. That is one of the reasons I think that Treasury officials have concluded that there wasn't improper pressure.

**Q313 Chair:** But do you feel that your involvement led the Treasury to open its door to having conversations more readily than it would otherwise have done, and, having open the door, that it got involved in those conversations, on different iterations of your ideas around the CCFF for example, to a greater degree than had you not been involved?

**David Cameron:** Sure, of course your position makes a difference, but I think that if you are the Chancellor of the Exchequer, you are also taking calls from the heads of banks and building societies —I remember this from our time in government—and quite rightly, at a time of crisis. That was the reason for picking up the telephone—as I said, I think it would be better in future to send a sort of formal letter or email—that it was a time of crisis, things were moving very quickly, the Government were introducing schemes and plans. The persistence I would explain by, first of all, supply chain finance isn't so well understood. It did need a push to be properly considered. Then, as you say, it went through a series of iterations of a proposal by Greensill, a response by the Government, then the Government making clear its own scheme.

To be fair—I have been very frank about this—I think Greensill made a mistake. I am partly responsible for this. I don't think we got to the best possible answer for how to amend the CCFF, or include supply chain finance in the CCFF, nearly quickly enough. Had we done that, there would have been less calls, less contacts—perhaps a quarter as much—and I think we got that wrong. I would lean quite heavily on what the Treasury officials have said, which is that this was effectively a worthwhile conversation and an important thing to talk about. It didn't bend the Treasury or the Bank of England out of shape, and I think it was a useful process.

**Chair:** Okay, thank you, David, for those answers. I go now to Harriet.

**Q314 Harriett Baldwin:** I wanted to reiterate what the Chair said: our terms of reference are looking at the lessons that the Treasury and its associated public bodies can derive from this whole failure of Greensill. In that context, I want to ask questions about the civil service. My first question—you have mentioned him already—is on Tom Scholar. You



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obviously know him very well. Can you tell us a little bit about your relationship with Tom Scholar?

**David Cameron:** Tom Scholar and I worked together when I was Prime Minister. He was my No. 10 sherpa for the G20 and G7 meetings. He also helped with the preparations for European Council meetings. He is an extraordinarily able civil servant. We are very lucky to have him. He is now permanent secretary to the Treasury and has done a very good job during this pandemic.

Q315 **Harriett Baldwin:** You signed off one of your texts to him "Love Dc", which was the only one that you signed off "Love Dc". Can you help the Committee understand why you used that to him? Do you have a closer or a wider personal relationship outside the formal one that you have just described?

**David Cameron:** I think I have seen him perhaps once or twice since leaving office. Anyone I know even at all well I tend to sign text messages with "Love Dc". I don't know why. I just do. My children tell me that you don't need to sign off text messages at all and that it is very old-fashioned and odd to do so. Anyway, that's what I do.

Q316 **Harriett Baldwin:** Given that the Treasury's guidance to civil servants says that they need to be particularly careful about conflicts of interest with people with whom they have a personal relationship, you would not describe your relationship with Tom Scholar as a personal relationship.

**David Cameron:** No. As I say, I have seen him once or twice since leaving office in a social context for a drink or suchlike to talk about things we did together. But I would make this point—it goes to these transparency rules, which I think are incredibly important—which is, obviously, if anyone contacts an official from business or elsewhere, they are meant to report that, and they all obviously did that in totally the proper way. But, crucially, what I was doing on behalf of Greensill was saying, "Will you look at this proposal? Will you talk to this company?" in the full knowledge that any meeting that was subsequently held would be transparently reported. So the idea that there was anything behind the hand or surreptitious trying to be attempted is nonsense.

These meetings are transparently reported. They weren't before 2010. You could use a freedom of information request to try and find out which businesses Ministers had been meeting with, but because of the reforms I introduced in 2010 there is quarterly reporting, you see exactly who has been meeting who, and I think that is very important. I obviously knew that at the time and knew that if these meetings took place, which I hoped they would, they would be publicly reported.

Q317 **Harriett Baldwin:** So you don't have a relationship with Tom Scholar where he comes to your house for lunch, Sunday lunch, or something that would not be captured by the rules that you have described. It is not what you would call a personal relationship. It is strictly based on—it is now nearly five years since you were Prime Minister—the contacts that you had at the time.



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**David Cameron:** Correct.

Q318 **Harriett Baldwin:** So you've not had lunch with him since you were Prime Minister.

**David Cameron:** I think I had a drink with him. I gave up office—what?—five years ago. I think I have seen him, as I say, a couple of times.

Q319 **Harriett Baldwin:** But socially, so that it wouldn't be captured by these rules or formally minuted under these rules?

**David Cameron:** Well, I don't know exactly how it is captured, but I suspect that if we talked about any business things, it would be captured by these rules.

Q320 **Harriett Baldwin:** Okay. Can you give us a flavour? Obviously, everyone has remarked on the fact that this was pretty intense pressure that you were putting on the system at the time. Is that characteristic of your normal way of doing business? If we were to look at your text messages over any period of time, would you have been doing a lot of very intensive contact of the different parts of Government, or was this specific to the crisis and the pandemic and Greensill?

**David Cameron:** Very much specific to the crisis. It is worth going back and remembering that moment when, as I say, there was this sort of economic heart-stop and no one knew what was going to happen next, and the Government were desperately trying to come up with the right schemes and solutions to help make sure that credit was there for businesses, small businesses were supported, and all the rest of it. As I said, the reason behind the persistence issue is that first of all, fintech is different: it is not so well understood. I think that is important. Secondly, I was very enthusiastic about the scheme. I want to just take a moment to—

Q321 **Harriett Baldwin:** I am really sorry to interrupt, but I only get so much time, and I have got quite a few questions I want to cover.

In one of the texts or WhatsApp messages you exchanged with Tom Scholar, you said something like you did not understand why the Bank of England would be cutting rates during the pandemic. There is a bit cut out of the exchange, but reading it in the way that we can see it, it sort of reads as though you were being told by Tom Scholar that there might be a Bank of England meeting ahead of the actual rate cut taking place.

**David Cameron:** I have been rather baffled by this text message, because obviously rate cuts are a very appropriate thing to do at a time of difficulty. I think I am a victim of spellcheck here: I think it was about a VAT cut, but I cannot completely—

Q322 **Harriett Baldwin:** They would not have been telling you about a VAT cut either, would they?

**David Cameron:** No, I think I was responding to something that was in the news, but I think I might have been a victim of my own rapid text and

failure to spellcheck. Going back to the time, I was less sure when— anyway, I think it was that, rather than—

Q323 **Harriett Baldwin:** Just to help me understand the players here, Richard Sharp—is that the Richard Sharp who at the time was on the Bank of England Financial Policy Committee, or is that a different Richard Sharp?

**David Cameron:** He might be the same one, but he was, I think, drafted into the Treasury as an advisor to Rishi Sunak at the time of the crisis because he had been very involved as, I think, a banker in the 2008 crisis, and I think he had that—

Q324 **Harriett Baldwin:** Are we talking about the former Goldman Sachs banker who was a member of the Bank of England Financial Policy Committee until 31 March 2019? That Richard Sharp?

**David Cameron:** Correct.

Q325 **Harriett Baldwin:** I just wanted to make sure it was the same Richard Sharp we were talking about. Then, Laurence Mann—that is the same Laurence Mann who worked for you when you were in 10 Downing Street, and is now your chief of staff. Is that a role that is paid for by the taxpayer?

**David Cameron:** I am afraid it is far worse for Laurence Mann: he has been working with me since 2005. He is my chief of staff; he worked for me in Downing Street and worked for me in Opposition. My office is partly supported by the former Prime Minister's grant, and that goes towards roles such as responding to public inquiries and Government business, answering correspondence, and other things that go on even though you are not Prime Minister. I think that pays a proportion of his salary.

Q326 **Harriett Baldwin:** But he is not a civil servant and would not be covered by the civil service code.

**David Cameron:** No, he is an employee of my office.

Q327 **Harriett Baldwin:** Right. In your analysis, and looking at the situation and the lessons that our Committee ought to draw in terms of the work of officials at the Treasury from their interaction doing this period, do you now regret the fact that they said no—something that you pushed back on so heavily at the time?

**David Cameron:** No. I think, in the end, they gave very good reasons for why the scheme they had introduced could not be amended in the way that we were suggesting. Crucially, as I said earlier, we took too long to get to the right answer of how to make the scheme work with supply chain finance, and I think by the time we got to that answer, conditions in the credit markets had eased. I think it is in the evidence from the Treasury—the Treasury wrote a letter saying, “Not only do we think we can't quite make your scheme work, but the credit markets have changed and eased”, so therefore the situation for our customers had eased.

Forgive me, but I want to explain an important part of my motivation. The reason I thought our idea was such a good one was that, of course, what



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the CCFF did was to buy commercial paper debt for large UK corporates. That eased their credit conditions and gave them cash to invest. It could be in paying a supplier; it could be in building and plant, or whatever. The strength of what we were suggesting was that if you backed supply chain finance bonds as part of the CCFF, every penny of that would go straight into paying the bills early of suppliers to big corporates.

**Harriett Baldwin:** You were very—

**David Cameron:** I think it is an important point, because I wasn't enthusiastic about this just because we wanted to join in the CCFF; I thought that we had actually found something that was incredibly tailored to a bit of the market that all of us as public servants would want to serve, which was the ability—

Q328 **Harriett Baldwin:** But you were very upset when the answer came back "no", and you said, "I'm going to call absolutely everyone about this." Given what you know now, are you pleased or are you happy still about that decision to say no?

**David Cameron:** The reason for being baffled was really twofold. One was that this class of assets was included in 2008, and so I thought if it worked in 2008, it seems rather odd that we are not doing it now. I was surprised by that. Also, I thought that by the time we got to the final answer of something that was really tailored to British firms and British supply chains, putting that money into small businesses, I think that we had a great idea.

Looking back, ultimately I think the Treasury gave a very good explanation for why, although this scheme, as they put it, could have great merit and could help a lot, it was too different to what the scheme that they had set up had originally intended to do. As I said, by the time that we got to the end of this iterative process—Greensill made a mistake by taking too long to get through that iterative process—the credit markets had eased up in any event.

Q329 **Harriett Baldwin:** Finally, in your message to Richard Sharp, when you said, "Good guy, but can be on the cautious side", who were you referring to?

**David Cameron:** I think I was referring to Charles Roxburgh, but I was making a general point in that. I am a huge fan of our impartial, professional civil service and I think that throughout this pandemic they have done an extraordinary job. The point I often make to people—it is an important part of being a Minister—is that there can be an in-built bias against doing something, because of course, if you are a civil servant, there is a worry about taking a step and doing something different—doing something. I think it is important for Ministers to ask themselves, "Are we being creative and inventive enough?" That is what I was referring to.

Q330 **Harriett Baldwin:** Did Charles Roxburgh and Tom Scholar come to the right decision in this case?



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**David Cameron:** I think they came to a very justifiable decision. It was a useful iterative process and, as I said, I think we took too long to get to the right answer. That is partly what explains the fact that there were a number of text messages and emails. A lot of them were sending the same brief to a number of different people making these arguments.

**Harriett Baldwin:** Unfortunately, I have taken too long too.

**Chair:** Thank you very much, Harriet. Can I go to Siobhain, please?

Q331 **Siobhain McDonagh:** Thank you. "It's the next big scandal waiting to happen. It's an issue that frankly crosses party lines and has tainted our politics for too long. It's an issue that exposes the far too cosy relationship between politics, Government, business and money. I'm talking about lobbying, and we all know how it works. The lunches, the hospitality, the quiet word in the ear, the ex-Ministers and ex-advisers for hire, helping big businesses find the right way to get its way." Mr Cameron, do you remember those words?

**David Cameron:** I do; I made them in 2010, and we made two very important changes.

**Siobhain McDonagh:** Yes, you've already mentioned those.

**David Cameron:** No, I haven't.

Q332 **Siobhain McDonagh:** Yes, you have. Do you understand the irony of having used them, given many of us believe that the quote depicts your own behaviour with Greensill?

**David Cameron:** Let me explain, because I haven't mentioned one of the changes that we made, which was important. When I made those remarks there had just been, I think, a lobbying scandal involving a firm that was approached by a journalist pretending to be from the Government of Uzbekistan. The lobbying firm in question said, "We can get you in to Ministers. We can get you to see people and no one needs to know who you are lobbying on behalf of."

I know it is criticised now, but the change that the lobbying Act brought in, which was to make sure that multi-client lobbyists had to register who their clients were, was an important change because it put a stop to that problem. If you combine it with the issue of having to report the meetings that Ministers had, you've got two very valuable tools in making sure that people can see who is lobbying whom, and on whose behalf.

As I said, in my interactions from Greensill to the Government, I absolutely knew that if the meetings I wanted to take place did take place, they would be properly reported on and everyone would know about them, and that is absolutely right. Of course, before—

Q333 **Siobhain McDonagh:** Mr Cameron, I'm ever so sorry, but this is a meeting to ask you questions rather than to allow you to talk for the next two hours. You had the enormous privilege of being the Prime Minister of our great country. You are one of only five people post-war to have been



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re-elected to lead our Government. Do you not feel that you have demeaned yourself and your position by WhatsApping your way around Whitehall on the back of a fraudulent enterprise, based on selling bonds of high-risk debt to unsuspecting investors?

**David Cameron:** My view is that what I did was that I made a choice to work for a business, which I hoped would be a UK fintech success story; many people believed that it would. I wanted to help that company grow and expand. What I did at the time of economic crisis was to put to the Government what I genuinely believed to be a good idea for how to get money into the hands of small businesses and get their bills paid early.

I have said that, looking back, and now looking forward, ex-Prime Ministers are in a very important and different position, and so a single letter or email would be more appropriate, but we were in very different circumstances when Covid happened.

Q334 **Siobhain McDonagh:** But do you not think that you were presenting a business that had fundamental financial problems, and the efforts were in order to fill the holes in that business rather than help the British taxpayer?

**David Cameron:** My interaction with the Government is because I genuinely believed these were good ideas to help small businesses. Of course, this business went into administration; it failed. We need to learn the lessons from that. There are lots of lessons, and I look forward to reading what your Committee has to say about it.

What I don't accept is that it was a business that was predetermined to fail. At its heart was a simple and good idea, which is to go to large corporate companies, like Airbus, with 26,000 suppliers—

Q335 **Siobhain McDonagh:** You don't believe it was a Ponzi scheme? Because that's what Lord Myners told us.

**David Cameron:** You take the Airbus example, which was a leading client of Greensill; we were paying their 25,000 suppliers instantly, getting cash into tens of thousands of small businesses, and then Airbus would pay back Greensill, and a bond would be floated in the meantime. That idea of using technology in deep capital markets to help small businesses is a good idea.

Q336 **Siobhain McDonagh:** As recently as Tuesday, Mr Greensill, who you seem to be painting as the reincarnation of the late Mother Theresa, told the Committee that this was a great business, only brought down by unreasonable and greedy insurance companies. We now know that 90% of Greensill's business was lending against transactions that have never happened, and may never happen, with companies that don't even know that they are involved, and then selling it on at low risk. Mr Cameron, do you still believe that that business model was a good one?

**David Cameron:** What I believe is that the key idea of supply chain finance—of going to big companies and saying, "We will pay your suppliers early, get cash into those businesses,"—is a good idea. The companies



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that Greensill worked with, like Vodafone, AstraZeneca, Ford Motor Company and Airbus, big responsible employers, big important companies—

Q337 **Siobhain McDonagh:** Mr Cameron, do you know what a prospective receivable is?

**David Cameron:** I have listened very carefully to the evidence you have been hearing over previous days, and the concept of prospective—

Q338 **Siobhain McDonagh:** They didn't involve any of the companies you just listed.

**David Cameron:** Let's deal with future receivables, which I think is the correct term. Future receivables were involved in the supply chain finance scheme that I helped to set up in Government, which was the way that, under this scheme, NHS pharmacies were paid early. Pharmacies, of course, are very small businesses.

Q339 **Siobhain McDonagh:** When, during the height of the crisis, you were bothering Ministers and civil servants, did you know that 90% of Greensill's business represented unsecured loans to high-risk borrowers, and half the time without any invoice whatsoever?

**David Cameron:** Well, that's not a figure I recognise. I listened to Mr Greensill's evidence to you on Tuesday, where he talked about future receivables being perhaps 20% of the business, and I think that when it comes to future receivables, it is important to recognise that in the case of the NHS and the pharmacy scheme—

Q340 **Siobhain McDonagh:** Can I just ask you a question about the NHS? Turning now to Greensill's proposals for our NHS—an app named Earnd to pay doctors and nurses daily or weekly in advance—do you accept that your lobbying of the NHS wasn't for its health but for the health of Greensill's balance sheet?

**David Cameron:** I wouldn't accept that for one second, because the whole concept of Earnd in the NHS was that it was going to be free, not just to the employee but to the NHS itself. Why I thought this was so attractive is that I remember answering questions—probably from you—about the evils of payday lending, and the idea that staff in the NHS can draw down their salary as they earn it, rather than having to wait till the end of the month, I think could go some way to ending the use of payday lending. And of course, this is a really important point—

Q341 **Siobhain McDonagh:** Mr Cameron, Greensill's own administration documents make clear, and I quote: "The commercial rationale for providing these services without profit was to create critical mass to enable Earnd UK to sell to corporate entities to generate revenues and to provide cross-selling opportunities to the wider Group." So I ask you again: do you now accept that your lobbying of the NHS was about a commercial incentive for Greensill?

**David Cameron:** No, I don't accept that, because—



Q342 **Siobhain McDonagh:** Is nothing sacred?

**David Cameron:** From Greensill's point of view, this was part of its corporate social responsibility programme, of saying to the NHS, "This is going to be free, not just to the doctors and nurses, but free to the NHS trusts as well", and—

Q343 **Siobhain McDonagh:** And of course it left Greensill free "to sell to corporate entities to generate revenues and to provide cross-selling opportunities to the wider Group." Not my words—Greensill's words.

**David Cameron:** But you asked me about—

**Siobhain McDonagh:** Thank you. Thank you, Chair.

**Chair:** Thank you very much, Siobhain. I will go to Julie now, please.

Q344 **Julie Marson:** Thank you very much, Chair, and good afternoon, Mr Cameron. I would like to go back and explore in a bit more detail something you referred to in your opening statement, and I think it is something of a thread throughout this session, which is your particular position as a former Prime Minister.

Former Prime Ministers are quite a rare and exceptional breed. When this Committee heard from Lord Macpherson a couple of weeks ago, he said that generally former Prime Ministers don't contact the Treasury; it's quite exceptional. They might say, "Check up some records", or issues, relating to your time in office. But actually to talk about policy—to lobby—is quite exceptional. Would you accept that it really is quite an exceptional course of action that you took over this period?

**David Cameron:** Well, these were exceptional times, when business was uniquely threatened. No one knew what was going to happen to the economy and I knew, from my own experience of being in Government, that the Government were considering what sort of loan support schemes, what sort of loan guarantee schemes—what would work. So, these were extraordinary times. And as I have said, I think it would be better for an ex-Prime Minister in future—and I will certainly abide by this—if you are contacting the Government about any commercial issue, and this would be a very rare event, to send one formal letter or one formal email. But I think these were exceptional times.

Q345 **Julie Marson:** Lord Macpherson also said, for example, that if a former Prime Minister did contact a Government Department, it would usually be potentially on a broader point of policy. But isn't the point here that the point of policy that you were talking about was something in which you had a very specific economic interest, as has been referenced previously?

**David Cameron:** Well, it was something that I was passionate about, because I thought that it could really help small businesses and supply chains in the United Kingdom. So that was why I was so keen to contact the Government. As I have said, I know what it's like when you are searching for things that will help business when credit markets dry up,



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when there are difficulties in the economy, and I thought we had a very good answer.

As I said, I was very keen for it to be listened to, because the banks are—quite rightly—on speed dial with the Treasury. Everyone knows that when troubles hit— And I think Paul Myners, in his evidence to you, said that he would often be talking to 10 bank chairmen and chief executives every week in that sort of situation. It is important to recognise the change in patterns of lending, where you have now got fintech firms and non-bank financial institutions extending huge amounts of credit to small business. It is very important to have that conversation as well.

**Q346 Julie Marson:** Do you accept that you are different from a bank chief executive? Do you think that that is a different circumstance? Did you ever consider the impact that that would have on the people receiving the calls, letters, emails and so on?

**David Cameron:** Of course, I thought very carefully about picking up the telephone, and I thought the circumstances warranted it because they were unique. I have reflected since then, and I think that in the future, as I have said, it would be much better with one single communication. I think these were exceptional times, and that is why it was acceptable to do what I did. It is very important to listen to Nick Macpherson—I have great respect for him—but I am sure you will also hear from Tom Scholar and from Charles Roxburgh, who said in their evidence that there was no improper— They didn't feel improper pressure. They thought it was right to consider this sort of scheme—it could be made to work—and the Bank of England have pretty much said the same thing. So I don't think they were bent out of shape in terms of their resources and the sort of time they spent on this. I have said that I think we took too long to get the right answer, and that was frustrating for me as well as for them, but they have said that talking to business is part of what they do.

**Q347 Julie Marson:** You said, quite rightly—we all remember it—that you have been at the Dispatch Box, and have been on the receiving end of lobbying, ideas and so on. To what extent do you think it is fair that someone, as a former Prime Minister, with that range of experience, the knowledge of the system, the contacts and so on, should have that same level of access and that same ability to influence and lobby?

**David Cameron:** I think it's a very good question. As I said in my opening statement, maybe there is a case for a longer period of time before there is any commercial contact between an ex-Prime Minister and a Department. I have also thought carefully—I noticed that Gordon Brown said that there should be no contact whatsoever on a commercial issue. I would stop one short from that.

I could potentially imagine Gordon Brown or John Major being the chairman of a big bank, British Telecom or some strategically important British company, and I think the idea of there being no contact then between a former politician and the Government wouldn't make sense. For instance, as Prime Minister, I used to meet very regularly with Bob



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Dudley, who was the chair of BP. I think that is right. You have got strategically important companies that do need to talk to Government. While it is very important that we regulate lobbying properly, while it is very important that we report meetings transparently, while it is important that we look at all those rules, we mustn't get to a situation where the public sector is cut off from the private sector.

So yes, ex-Prime Ministers are different. Yes, we need to think and act differently. Yes, there are lessons to learn—I completely accept that—but I wouldn't go quite as far as Gordon Brown, although I agree with him about many things.

Q348 **Julie Marson:** So would you accept the criticism that you are putting forward some potential solutions and lessons to be learning from this, but if you had perhaps been more self-aware and cognisant of the potential impact of the lobbying from a former Prime Minister—from yourself—we wouldn't have to be looking at changing the rules at this point, or at more rules?

**David Cameron:** I would say two things to that. The first is that clearly these civil servants were not intimidated by getting a call from me, from looking at this proposal or from dealing with Greensill and the fintech sector. If you look at what they said to the Public Accounts Committee, they thought it was appropriate and they got on and looked at the scheme. That is the first thing.

As I say, I think ex-Prime Ministers are different, and we should be looking at the rules just because there is no harm in trying to work out whether there is more that you could do. I think ACOBA as a process, which I have been through with a number of different appointments, does work well. But I can see an argument that says for an ex-Prime Minister, where you have got to make choices when you leave office—I made a series of choices about the charities I would work with and the businesses I would support—perhaps there is a role for a sort of committee of some former permanent secretaries and people with great business experience to give advice on that.

There isn't really a road map for an ex-Prime Minister, particularly for a younger one who doesn't just want to be on the board of some big bank and make the odd speech around the world, but who wants to get stuck in and help a business grow and expand. Perhaps there could be a role for that sort of committee to give that sort of advice. Perhaps I would have found that beneficial.

Q349 **Julie Marson:** Thank you. Can I turn to the relationship between yourself and Lex Greensill during this period? You have mentioned some strategic objectives that you felt you had in joining Greensill. Could you give us a feel for how much direction on a day-to-day basis or a week-to-week basis you had from Lex Greensill, both in what we might call normal terms and as it became more of a crisis moment?

**David Cameron:** I was contracted to work with the business for a number of days a year ago. I think I comfortably exceeded that because I was



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enthusiastic about what this company was doing. I probably talked to Lex Greensill once a week. The sort of work I was doing was trying to win new clients, whether in the UK or elsewhere. We were looking at how to expand best into new territories. I think he said in his evidence that, while I was working for the business, we increased by 50 or 100 the number of countries we were operating in.

I would try and help him with some of the key relationships with suppliers, companies like Oracle and SAP, who were crucial to the way the business worked. It was really helping with the expansion, as well as the more traditional advisory role about geopolitical and other advice. It was a good relationship. I enjoyed working with the company. I am extremely sorry and sad that it has come to this end.

Clearly, as he said, there were faults with the business. There were vulnerabilities that weren't properly addressed, but I repeat again, I think we must not get into the situation in this country where, just because a business goes into administration, it doesn't mean that everything about it was wrong. It doesn't mean that the whole thing was necessarily a giant fraud. I think there were very strong and important parts to supply chain finance that can have a real social benefit. That is why I joined the company in the first place.

**Q350 Julie Marson:** For example, during the crisis period, would Lex Greensill say to you, "Would you phone up Rishi Sunak? Would you text him? Would you get on to the Treasury? Would you get on to Matt Hancock?" Would he direct you and give you particular missions or objectives in that kind of way?

**David Cameron:** No. The conversations that we had started with the chairman of the Bank of England making this remark about the importance of supporting supply chains during the pandemic and I think in one of our conversations I said I would try and find out more about what was meant by that.

When it came to this issue of our proposal to improve the CCFF with this supply chain finance idea—which, as I have said, we thought would be very targeted, because all the money would go to small and medium-sized businesses—it was then a question of, what is the best way of trying to get this in front of Government? That is what I helped with. I helped with that because it was a moment of crisis and I believed it was a good idea.

**Q351 Julie Marson:** I don't want to put words in your mouth, but would you be characterising it, then, in that you self-directed? You made the judgments on who to lobby, when to lobby them and how often to lobby them, for example?

**David Cameron:** I had discussions with him, and perhaps one or two others, so I could properly understand how the CCFF was meant to work, what our proposal would do to improve it, and how best to try and get the Government to at least consider it.

**Q352 Emma Hardy:** Good afternoon, Mr Cameron. Just a couple of quick



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questions at the beginning. Has the Chancellor published every SMS or WhatsApp message that he sent you in relation to Greensill?

**David Cameron:** I believe he has, yes.

Q353 **Emma Hardy:** Thank you. Did you and the Chancellor speak over the phone about Greensill's CCFF or CBILS?

**David Cameron:** Yes.

Q354 **Emma Hardy:** Did you speak on 18 May?

**David Cameron:** I would have to check the records, but we definitely did speak, possibly a couple of times. I think it is all in the return that I sent to the Committee.

Q355 **Emma Hardy:** Okay. Could you tell us what was discussed?

**David Cameron:** From memory, what I was discussing with him was my contention that the CCFF was a brilliant idea, because it was helping large British-based corporates to have access to cash and credit at a time of difficulty and how including supply chain finance bonds in that facility would be even more effective because every penny of that money would go into small businesses. I was very passionate about it, I thought it was a really good idea, and I think I was drawing, as I said, on my experience as Prime Minister when schemes announced didn't quite work in the way—

Q356 **Emma Hardy:** Okay. I am going through my questions quite quickly. On that conversation on 18 May, were Treasury officials dialled in or was it a private conversation between you and the Chancellor?

**David Cameron:** I don't know. You would have to ask the Chancellor. I do not think there was anybody listening at my end, but there might well have been at his end.

Q357 **Emma Hardy:** Earlier on, in response to one of my colleagues, you said that you did not believe that the resources of the Treasury were bent out of shape because of the time or resources spent. Do you accept that 56 lobbying attempts of Ministers and officials during a pandemic— You have already said that the economy was on life support and the Treasury was working 24/7, and we heard evidence earlier that time spent responding to your lobbying meant time not spent responding to other areas in need, companies in need or, indeed, regions in need around the rest of the country. Have you ever reflected back and considered that you maybe went over the top?

**David Cameron:** I would draw very heavily on what Charles Roxburgh said in answer to a question at the Public Accounts Committee: "That was not a disproportionate use of time at all... had it"—the proposal—"proved workable it could have been a way to support a large number of small businesses at a time of crisis." He also makes the point that the proposal ultimately resulted in a consultation with 10 other supply chain finance companies and that it was a useful exercise. As I say, I definitely accept that one reason for the persistence was that we took too long to get the best possible scheme to the Government. That was our fault, for which we



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should take responsibility, but the civil servants, from what I have heard, are saying that it was an interesting proposal, and that it is their job to engage with business, which did not take up a disproportionate amount of time, and that if the proposal could have worked it would have been a good exercise.

Q358 **Emma Hardy:** With respect, Mr Cameron, I wasn't asking what you believe the opinion of the civil servants to be; I was asking your opinion. Do you believe that 56 attempts of lobbying during a pandemic was a useful use of Treasury Ministers' and officials' time, which could have been spent elsewhere? I am not asking you what civil servants think. I am asking whether you have reflected on that and what you think.

**David Cameron:** I have reflected on it. It was a time of extraordinary crisis, and so it was a time when I think it was appropriate to use phone and text messages rather than email and letter, but one of the lessons I have taken away is that, in the future, ex-Prime Ministers should only ever use letter or email and should restrict themselves far more. However, the reason for quoting the civil servants is that, in a way, that is the answer to the question. If they are saying that they were not putting in disproportionate time and were not bent out of shape, I think that is a significant and important point.

Q359 **Emma Hardy:** Did the Chancellor tell you what the "alternative" was that he "pushed" his officials to explore on your behalf?

**David Cameron:** I think, from memory, that the Treasury and the Bank of England made a proposal for how supply chain finance could be included in the CCFF, which they put to Greensill and others, but Greensill and others didn't think it would work in the form that was put forward. One of the reasons why there were all these contacts is because it was an iterative process. The original Greensill proposal, an amended proposal, a proposal from the Government—it went through a lot of phases, as I think is set out in the evidence to you from the Bank of England and the Treasury. I think what that text refers to is the Government's proposal back to the supply chain finance providers.

Q360 **Emma Hardy:** Okay. Just to take one day for example, on 3 April you received some bad news—that the Treasury did not intend to revise the terms of the CCFF. From what we can tell, on the same day you WhatsApped the Chancellor of the Exchequer, you called the Economic Secretary to the Treasury, you called the Downing Street Spad, you emailed the deputy governor at the Bank of England and you texted Michael Gove and Tom Scholar. All in all, there were two calls and 16 written communications on a single day to six different people, all of whom will have had other things to do in the midst of a rapidly developing crisis. The following day, you secured a call with the Chancellor. Do you still think that this was appropriate?

**David Cameron:** I think it was a time when the Government were looking at what schemes could actually get cash to businesses and could work. We believed that we had one of those schemes. We thought that it was worth a proper look. Of course, it went through an iterative process where they



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came back with a proposal, but as I say, standing back from it, looking back at it now, I do understand that ex-Prime Ministers have to be very careful about what they do and very careful about the measures that they take. In normal times—I will certainly restrict myself to this, if there is ever occasion to, and I doubt that there will be—when a business has a commercial proposition to put to Government, it will be a single letter or email.

**Q361 Emma Hardy:** One final point. Earlier on, you said that you usually put “Love Dc” on the bottom of your texts. Therefore—you were explaining—this shows no particular closeness or relationship with Tom Scholar. From what we can see from all the other texts that you sent, “Love Dc” does not appear anywhere else, even in your texts to Michael Gove and Rishi Sunak. Do you want to reflect on whether you want to talk about the relationship you had with Tom Scholar?

**David Cameron:** I think I’ve accurately reflected the relationship I had with Tom Scholar. I am very happy to check up how many times I have met him socially since I left office in 2016—I think it is two. Two in five years is not a huge amount. I don’t know Rishi Sunak that well. We were in Parliament together for a period of time, but I don’t know him that well. I think I can produce a list of friends and relations who have “Love Dc” at the end of their text messages.

**Emma Hardy:** But maybe not “Love Dc” to Michael Gove. Thank you, Chair.

**Chair:** Thanks very much, Emma. I will go now to Felicity.

**Q362 Felicity Buchan:** Thank you, Chair.

Good afternoon, good to see you. You mentioned in your opening remarks that you thought carefully before taking the role at Greensill and that you took advice from a wide number of people. May I ask you specifically what due diligence you did on Greensill before accepting the role? How familiar were you with their business and their business model?

**David Cameron:** I did think about it very carefully. I consulted a couple of very senior business leaders who are people I worked with when in Government. I talked to, I think, financial analysts to ask their view about the company. I met with not just Lex Greensill, but the chairman of the company, Maurice Thompson, someone who has I think 30 years of experience in British banking and finance. I met with the venture capitalist John Gorman, who had originally invested in Lex Greensill and was still working with him. Obviously, I asked lots of questions of the company about every aspect of the business, from the role of insurance to the way the Credit Suisse and other funds worked and the lists of customers.

To be frank, one of the things that I took the greatest comfort from was that General Atlantic, which I hugely admire as an investor, had just invested in the business and that company had as customers people like Airbus, Vodafone and AstraZeneca, and had partnerships with companies



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like Credit Suisse, Oracle and others. So, it was a mixture of all those things, but I certainly did do quite a lot of due diligence, asked a lot of questions and tried to make sure that I understood to the core of what the business was doing.

**Q363 Felicity Buchan:** To me, there were several red flags about this business, even back then. One was the exposure that it had to Gupta and his family of companies, and indeed the interdependence between Greensill and Gupta and his companies. Clearly, GAM and Tim Haywood had been in the press just a month before, in July 2018. Were you aware of those issues, and did they give you concern at the time?

**David Cameron:** Yes, of course, I was aware of them. Taking them separately, the GAM issue was reported widely in the newspapers. I asked a lot of questions about it and got a lot of reassurances about it. It's a complicated issue, but ultimately, with one of the funds that was closed, all the investors received their money back, and there was a GAM Greensill Supply Chain fund that continued to operate, I believe successfully, pretty much throughout the time that I was working for the company. Of course, the Credit Suisse funds at the same time were expanding, and so one of the key questions for the company was: have you got the distribution potential for these assets you are creating from the finances you are providing to small businesses? The list of banks that was buying these was growing and there were the other funds, so asking questions about that I thought was important, but I thought I'd got satisfactory answers.

On the issue of client concentration, and specifically on Gupta and GFG, this was something that I did ask about before joining and asked a lot of questions about while I was there. The reassurance I always got was that there was a plan to deal with this concentration and over time reduce this concentration, but obviously that is not something that happened satisfactorily. I think you heard that from Mr Greensill when he gave his evidence, and that it is an important concern.

**Q364 Felicity Buchan:** Did your view of the company change over time? Was there anything that concerned you over time?

**David Cameron:** I joined the company in August 2018 just after the General Atlantic investment, where of course they had done an enormous amount of due diligence. Then, during the time I was working for the company, there was this big SoftBank investment. I know SoftBank and the Vision Fund isn't everybody's cup of tea, but none the less they are a heavyweight investor and, again, do a lot of due diligence. And the number of partnerships and customers seemed to be growing in a healthy way.

As I tried to say to one of your colleagues, my enthusiasm for this business was very simply based on the idea that if you team up with large corporates and you pay their suppliers early, you're pumping money into small businesses, and anyone who goes anywhere near a small business knows that cash flow, credit and working capital are absolutely crucial to their success and survival. That is why I believed this was a worthwhile



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business. So, the more we could add those big corporate clients, many of which were added while I was working for the company, I thought the stronger the company would be. But clearly this company has failed. If you work for a company that goes into administration, you look back and think of all the different choices you could have made, and of course I am doing that.

As I say, during the period I was working for it, there were good signs of strengthening, but there was this issue of Gupta, which I don't think was adequately dealt with, and that became a looming problem.

**Q365 Felicity Buchan:** Clearly the business model here was to have the receivables, package them up with credit insurance and then on-sell them to Credit Suisse Asset Management and then to investors. Were you aware in September that Tokio Marine had decided not to renew the credit insurance? Again, that would be a flag to me that the business model was in real jeopardy.

**David Cameron:** I wasn't a director of the company and I wasn't on the credit or risk committees. I don't think I was aware of the deadline with Tokio Marine. I listened every week to the company podcast that was describing how the company was going, and there seemed to be a good position with 28 insurers I think it was, and a number of new insurers coming on board, so I don't think I was aware about that looming deadline.

One point I would make is that when you are an adviser to a company but not a director, one of the things you ask yourself is, does this company have an effective legal function? Does it have an effective credit committee, risk committee, audit committee? Is it a strong board? And the answer to all those questions seemed to me to be pretty positive, and of course as an adviser, not a director, you take comfort from that.

**Q366 Felicity Buchan:** Just on that point, were you concerned that the chair had come from Citibank where Mr Greensill had worked, and perhaps the chair was not sufficiently independent? I am not making an allegation and saying that he wasn't, but I am aware that they worked together in the past.

**David Cameron:** From what I saw of how Maurice Thompson worked, he had this extraordinarily long experience in banking and finance, not just in Citibank but at Warburg before. He was a very effective chairman. I think he held the management to account—from what I could see—effectively.

He was a very effective chairman. I think he held the management to account—from what I could see—effectively. Again, when you're thinking about being an adviser to a company, that's one of the questions you ask—the capabilities of the chairman and the people on the board.

**Q367 Felicity Buchan:** Can I just ask you about your role with clients? You said that part of your mission was to go out there and win new business. I believe that you actually went to visit the credit insurers in Australia. What was the nature of that visit and that meeting?



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**David Cameron:** That meeting was really a sort of general catch-up and getting-to-know-you meeting. I was in Australia; I was giving a lecture tour to an Australian Jewish organisation. And because I was in Australia and Lex Greensill was in Australia, he said—I think we did a meeting with some clients and prospective clients, and we also went to see this insurer, but it was not a significant business meeting. It was just a getting to know, checking in with, and for me to get to know them.

Q368 **Felicity Buchan:** Did you meet a Mr Brereton there? He was subsequently fired—this is my understanding—for exceeding his risk limits in relation to Greensill Capital.

**David Cameron:** I don't remember exactly who I met. I would have to—

**Felicity Buchan:** No?

**David Cameron:** I may have a record of it; I may not.

Q369 **Felicity Buchan:** I understand. I believe your office has denied this, but there have been reports that Mr Greensill was offering up meetings with you almost as rewards, if people in Government accepted meetings with him. Can you just categorically say that you were not aware of that practice?

**David Cameron:** Totally not aware of that. I would carry out a lot of meetings for the company, whether it was with customers, suppliers, partners or what have you, but I'm not aware of that at all.

Q370 **Felicity Buchan:** I am being told that my time is up, so just one final question. Do you regret your involvement with Greensill? And as you look forward, because you're clearly still a very young man and may take on other opportunities, will you take on more commercial opportunities, going forward? Is that something that you still have on your agenda?

**David Cameron:** When you work for a company that goes into administration, as I said, you look back and you think, "What different choices could I have made?" But all I can say to this Committee is, my real focus since leaving office has been things like Alzheimer's and dementia, and fragile states and the commission that I chair. I wanted to have a range of business interests as well. I chose Greensill because I thought it was an exciting UK-based company that would be, you know, rolled-up sleeves, working in, rather than just a brass nameplate on the door. Obviously, what's happened is deeply regrettable and is very—being part of a company that goes into administration is depressing. But never mind me—the people who have lost their jobs had whole futures invested in this company being their future, and it's incredibly depressing to see it go wrong.

In terms of my own situation, I think I'll probably have some commercial interests, but I've got a lot of work on with dementia. I chair the early diagnosis board for how we can try to diagnose dementia earlier and therefore find the cure. I think that's the most important mission I've got at the moment, and I maybe now will have even more time to pursue it.



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Q371 **Dame Angela Eagle:** Mr Cameron, I have read your 56 messages, and they are more like stalking than lobbying. Looking back, aren't you at least a little bit embarrassed about the way you have behaved?

**David Cameron:** As I said, it was a particularly acute time in the British economy. The Government was introducing plans to try to help businesses. We thought we had a good idea. I was keen to get it in front of Government. But as I have said, there are lessons to learn and lessons for me to learn. In future, the single formal email or formal letter would be appropriate. But it was a particular—I think it's easy to forget now just what a time of economic shock it was.

Q372 **Dame Angela Eagle:** Many of us don't forget: there were thousands of people dying at the time, and the country was in a serious situation. You have said your role at Greensill was as an adviser. Did you ever write to NHSX describing yourself as a director of the company?

**David Cameron:** I think there was an email which I've seen where—I think I described Bill Crothers as a fellow director, and it was a mistake. If that's the one you are referring to, that was a mistake. I wasn't a director of the company; I was an adviser and, as I said, I didn't sit on any of those sorts of sub-committees of the board that are so important to a company like that.

Q373 **Dame Angela Eagle:** Did you do the same in writing to counterparties in Australia—describe yourself as a director?

**David Cameron:** I don't believe I did, no.

Q374 **Dame Angela Eagle:** Will you undertake to check your records and keep the Committee informed of the outcome of the check that you do on that?

**David Cameron:** Of course.

Q375 **Dame Angela Eagle:** Thank you. Mr Greensill told me that you had a standing invite to board meetings, and that you attended regularly. You have said today that you attended regularly and that you had a lot to say at some of those board meetings. Do you know what a shadow director is, under section 251(1) of the Companies Act 2006, and are you aware of the consequences of you being found to be a shadow director?

**David Cameron:** I am aware. I am not a lawyer, but my understanding of this is that the shadow director issue is when you have a company that has a board, but the real person controlling that company is actually not on the board. That is what the concept of the shadow director is. In my case, there is absolutely no question that I was in any way controlling this company while not being on the board, so I do not think that applies to me at all.

Q376 **Dame Angela Eagle:** At the time when you started your incredibly frenetic lobbying of the Chancellor, were you aware that BaFin, the German regulator, had given Greensill instructions to reduce their loan concentration to Gupta?



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**David Cameron:** I don't believe that I was, but again, I may have to check the records.

Q377 **Dame Angela Eagle:** So that was not discussed at the board meetings that you attended.

**David Cameron:** I don't believe so, but I can certainly go back and check. I mean, I think it is an important question: what was the closest board meeting before the pandemic struck? I do not recall off the top of my head. I do not remember that, but I do not want to give an inaccurate answer.

Q378 **Dame Angela Eagle:** So, again, perhaps you could check and get back to us about that. Were you aware that most of the coronavirus interruption business loans made by Greensill Bank were to Gupta names and friends, which was actually increasing Greensill's concentration and exposure to Gupta rather than decreasing it?

**David Cameron:** As I said, I was not on the credit committee, so I was not responsible for extending any credit—any loan—to any client, including Mr Gupta. I did not know about the exact nature of those loans, no.

Q379 **Dame Angela Eagle:** And these things weren't discussed at the board meetings that you attended? I mean, did the credit committees not give reports at the board of directors? Would you not have heard some of that while you were attending board meetings?

**David Cameron:** I don't remember that. I remember that with the CCFF, there was a lot of discussion outside the board, because this was happening in real time and it was a very good scheme the Government had set up that we had this proposal to amend. In terms of the other schemes, as I understand it, there were discussions between Greensill and the British Business Bank—discussions that I was not involved in at all—about the process of being an accredited lender. I am sure they were reported back to board meetings, but it is not something I had any involvement in.

Q380 **Dame Angela Eagle:** Lex Greensill told me that you were a PAYE employee of the company. How much were you paid for that role? You gave us a hint a bit earlier, saying it was more than you earned as Prime Minister. Was it more than Boris Johnson earned when he was on the Back Benches? Can you give us more of a ballpark figure?

**David Cameron:** I was well paid in terms of the annual amount, and I had these shares, but as I said to your Chairman, I think it is important for the Committee to know that I had that economic interest. I was committed to this company; I wanted to work for it; I would have benefited if the company succeeded, but all the questions you are asking and addressing, quite rightly, in your Committee about lobbying, this behaviour, what ex-Prime Ministers should do and how the Treasury works, I do not think are affected by the amount of it, so I would consider that a private matter.

Q381 **Dame Angela Eagle:** But, Mr Cameron, given that this company



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collapsed; that it took at least £400 million of Government-backed loans via the British Business Bank with it; that it has cost between £1 billion and £3 billion of taxpayers' money; and that there are German towns suffering because of the stricken nature of the Greensill Bank in Germany, do you not think that what you were earning and how it motivated your personal lobbying of Government is a matter of public interest?

**David Cameron:** What I would say is that my motivation in talking to the Government was about how to introduce a scheme that I thought would benefit small businesses.

Q382 **Dame Angela Eagle:** But if that bank had actually floated successfully, you would have been a multimillionaire, wouldn't you?

**David Cameron:** But I'd also make the point that Lex Greensill himself probably talked to the Government—in terms of meetings he had—more than I did, and when he was in front of you on Tuesday, you didn't think it was relevant to ask what he earned or what his shares were. I think the point is the same: yes, I had an economic interest in this company; I was committed to the company; I was paid by it; I had shares in it; I wanted it to succeed. But I do not think the actual quantum of it is relevant to answering the questions that you have to answer.

Q383 **Dame Angela Eagle:** Have you paid UK tax on your earnings or are you keeping them offshore?

**David Cameron:** All tax has been paid on them, and it's all onshore—all in the UK.

Q384 **Dame Angela Eagle:** That is good to know. It was reported in *The Wall Street Journal* today that you made several million dollars from cashing out stock options in 2019. Is that true, and again, have you kept all those earnings onshore and paid tax on them?

**David Cameron:** Everything I have done, I have paid full UK tax on, whether that is capital gains tax or income tax. I don't have any money offshore. I have an Office of David Cameron, which I fund through some of the work I do, and I earn some money in a personal capacity, but every proper tax is paid—income and capital gains.

Q385 **Dame Angela Eagle:** May I just ask you about prospective receivables? You seem—like Mr Greensill was—reluctant to recognise that phrase, and talk about future receivables instead. Yet that phrase does feature in court documents in America, and it also features in correspondence that Mr Gupta had with the *Financial Times* over fraudulent invoices that it seems were securitised by Greensill. How much do you know about prospective receivables, and how much was Greensill Bank involved in securitising phantom invoices?

**David Cameron:** I think you got answers from Lex Greensill on Tuesday, who was running the business and who was involved in those credit and other decisions. He explained that he thought the term was "future receivables" rather than "prospective receivables". I think he said that only



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20% of the business was future receivables rather than actual receivables. I think the example he gave—and I am happy to give a couple of others—is that there is nothing abnormal about providing finance on the basis of future receivables. When the NHS—

**Q386 Dame Angela Eagle:** I agree with that so long as they are predictable, but actually, Gupta was talking about prospective receivables, not future receivables, and we do know that Greensill had a pretty twisted symbiotic relationship with Gupta.

**David Cameron:** I heard Mr Greensill's evidence when he said that all financing had to be based on actual invoices and not, of course, any fake invoices, and that is a very important consideration. But I think—and your Committee will have to think about how to answer this—what I wouldn't do is to say that all financing on the basis of future receivables is a bad idea.

**Q387 Dame Angela Eagle:** No, I wouldn't say that either, but phantom invoices are a bad idea.

**David Cameron:** Phantom invoices, of course. That would be a very serious accusation.

**Q388 Dame Angela Eagle:** Finally, how many times did you use one of the Greensill fleet of private planes to fly to or from Newquay, close to your third home, or any other non-business declarations? What is your estimate of the value of your use of the Greensill fleet, and have you declared those as taxable benefits?

**David Cameron:** I haven't got a complete record of the use of planes. It was used quite a lot by Lex Greensill and senior managers, and sometimes myself, on business visits, and I did use it a handful of times on other visits. And of course, all proper taxes and all those things would be dealt with in the proper way.

**Anthony Browne:** Thank you, David Cameron, for coming to give evidence to our Committee. I just want to follow up on a couple of questions that Angela Eagle asked on prospective receivables. I completely support what you say about the role of supply chain finance. I myself have helped to promote it. Securitising supply chain finance assets is not necessarily an issue, and doing future receivables, such as with the pharmacies, is not an issue at all.

The issue here is where there have been a lot of stories in the media about Grant Thornton, the administrator, trying to unravel all this and coming across invoices where the companies that had supposedly issued the invoices said that they had absolutely no commercial arrangement with Liberty Commodities—with Gupta. They certainly seem to be fraudulent. We do not know whether they were made up by Gupta or whether Greensill knew about this or not. You must have read these reports and you must have been concerned about what was going on under the bonnet there, even if you did not know it at the time.



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**David Cameron:** The recent reports that have come out about this are clearly very disturbing if true. As I say, I was not involved in credit extension—not to Gupta, but to any company. That wasn't part of my role, but obviously there is a difference between future receivables and known cash flows—for instance, your mobile phone in your pocket you pay for with a contract and that is a sort of future receivable, if you like—and non-existent prospective clients that have not even been contacted yet. That is a different thing. I don't know any more than you do about that. I have read that in the newspapers. It seems concerning, and I am sure that it needs to be got to the bottom of.

Q389 **Anthony Browne:** Some of the previous witnesses that we have had are quite clear that securitising these invoices where the companies actually do not have any commercial arrangement with Liberty—with Gupta—and securitising them and then selling them on as assets has a very strong appearance of basically being fraudulent. How concerned are you that fundamentally here there was a large amount of fraud going on?

**David Cameron:** I certainly haven't seen any evidence of that myself directly. I thought Mr Greensill sort of explained the difference between actual receivables—

**Anthony Browne:** He avoided answering the questions on it.

**David Cameron:** —the security that goes with future receivables, and the role of insurance. Obviously, if what is being suggested is true, that properly needs to be looked at.

Q390 **Anthony Browne:** Some of the evidence that we have been taking earlier was really about the role of financial regulation here. Supply chain finance, as you know, is not regulated, and Greensill itself—

**David Cameron:** The important point there is that business lending is not regulated. I think it would be wrong to single out supply chain finance. It is not as if supply chain finance is trying to hide in some sort of dark corner; it is a form of business lending and business lending is not regulated. You are the expert here, having run the British Bankers' Association. There are arguments about how to better extend and use regulation, but I think it is important to make that point.

Q391 **Anthony Browne:** Absolutely. Lending from one company to another is under civil contract law. It is between two professional partners. It isn't regulated by the Financial Conduct Authority. The principles of regulation are either, generally, consumer protection or depositor protection if it's a bank. Neither of those apply to business lending or supply chain finance.

One of the remits of our inquiry here on the Treasury Committee is to learn whether there are any lessons for financial regulation. Obviously, you were not the Chancellor directly responsible for financial regulation, but you ran a Government that did huge amounts of financial re-regulation. From your involvement in this, from your point of view and what you have learned, are there any other lessons to be learned about financial regulations or suggested changes that you think the



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Government should look at?

**David Cameron:** I have listened to the evidence that you have had this week. I think the FCA made some very good points about the AR regime. I think the points that Mr Greensill made about credit insurance are important. What the FCA said about, even if there isn't greater regulation, having better information, not least so that you can see when something might become systemically important, I thought was important.

I would just make one point, as you do it, which is that we must continue, if we can, in this country to be a financial technological innovator. Look, this business failed, so perhaps this is not the right time to make this point, but there is a lot of innovation taking place that is taking things that banks tended to do quite badly and making it cheaper and more effective for our constituents.

For example, take remittances. We all have many constituents who work very hard and send some of the money home to families in other countries. For years they have faced high charges and poor service, and now technology—blockchain and other mechanisms, and companies such as Revolut and Monzo, and all the rest of it—are making that much easier, and that is a great thing.

So as we regulate better, let us not lose the ability of technology and capital markets to deliver low-cost finance for people who can really benefit.

Q392 **Anthony Browne:** I would certainly support that. I should declare that since I left the British Bankers' Association, I have been involved with quite a few financial technology firms, with investors, and I have even been the actual legal director of some.

You have described Greensill as a fintech firm. One thing I have learned from my involvement in fintech is that it is quite an appealing phrase, and lots of people describe companies as fintech without them really having any tech there. In particular, lots of people use the words artificial intelligence in a very slapdash way, when there is actually nothing intelligent about it in terms of technology. How much did you look at the technology of Greensill? Again, there have been quite a lot of reports of people lifting up the bonnet there. It had no proprietary platform itself. There was nothing really that sophisticated about the technology.

**David Cameron:** I certainly wouldn't pretend to be an expert in this, but it seemed to me that what Greensill were doing with partners such as Oracle or Taulia, or Textura in the past, was using the information in a company's ERP to make sure you could extend credit to suppliers, and indeed to employees, faster, and I think that does qualify as fintech, because the fin is the access to the deep capital markets and the tech is using the ERP to make credit decisions better and faster.

I know that all sounds very techy, but ultimately what it can be about is trying to make the cost of your mobile phone lower, making sure you can access your pay on a daily basis rather than waiting until the end of the



month. I think these are quite powerful changes. So whether you want to call it tech-enabled or fintech is a matter of choice, but it is certainly using technology in capital markets to make people's lives better.

**Q393 Anthony Browne:** My last questions are about your communication with the Treasury. You have obviously made various explanations about exactly what Greensill did. There are, as we said at the beginning, and as you recognised, serious questions about a potential for fraud there and the business model not being all that it seemed. Certainly, you have seen Lord Myners' evidence about that. How much did you check that what you were telling the Treasury was actually fully true? Are you satisfied that you made all the right inquiries to make sure that you, as a former Prime Minister, were not passing on any false information to the Treasury?

**David Cameron:** It is a very good question. The briefing note that I sent—many of the emails and text messages were sending the same briefing note to different people—was drawn up in consultation with people at Greensill. I asked that it was very carefully checked and that all the information in it was right, and I believe that to be the case.

**Q394 Anthony Browne:** Did you challenge any of the information at all or did they provide you with the pro forma?

**David Cameron:** I think it went through a number of drafts, from memory—I would have to check that—but that was the point. I thought we had a strong case. I wanted to make sure we didn't overstate anything. As I say, I think we did make a mistake in that here was the CCFF, here was our proposal to enter into it, and we took too many iterations to get to something that was really tailored to UK SMEs, sterling currency-only, qualifying companies. We should have got there faster. I was frustrated about that and that is a regret. That did mean there was more contact than there otherwise should have been.

**Q395 Anthony Browne:** This is my last question. Felicity Buchan asked you whether you regretted it and you slightly side-stepped answering that in a direct way. If you were in the same situation again, what exactly would you do differently? Or would you do exactly the same again?

**David Cameron:** The first thing is that if you work for a company that goes into administration, you look back and think, "Could I have made a different choice?" I did do due diligence. I did ask people and all the rest of it, but it is a very depressing experience, working for a company that goes into administration, and all the regret about the people who have lost their jobs and all the rest of it. So obviously that is something you would think about.

In terms of contact with Government Ministers, I have said many times, ex-Prime Ministers are different and a letter or an email, once, is better. What I am saying to the Committee is I think we were in very special circumstances and that explains why I did what I did. But, as I say, there are lessons to learn and I am sure your Committee will perhaps give me some others to learn too.



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Q396 **Anthony Browne:** Can I push you on that one point? Apart from sending a single letter or email rather than the volume of communication you had, is there anything else you would have done differently throughout this episode?

**David Cameron:** Also, getting to a better answer to how to amend the CCFF faster. As I have said, that is something we could have done better. Also, when the company went into administration, I waited quite a while before making a 1,700-word statement, or whatever it was. I thought I was not the right person to go out and explain why the company had gone into administration, because I wasn't running the company and I wasn't a director, but I think the expectation that someone else would take that up was perhaps something I might do differently.

Q397 **Dame Angela Eagle:** Mr Cameron, have you got anything to say to those who have lost money, who invested in the funds in Credit Suisse, to those small German towns whose townships have lost a lot of money because of what has happened at Greensill Bank? Do you have anything to say to them now?

**David Cameron:** What I do have, obviously, is a great regret that this company has failed—that it went into administration. The people I feel most sorry for are the people who worked for Greensill, many of them at the HQ in Warrington, who worked very hard and believed deeply in what the company was doing, and who have lost their jobs. Of course, if anyone does lose money through their investments, that is a matter of regret. My understanding with the funds is that it takes time for the assets to run off, because a lot of them are receivables and if the underlying companies are still paying their suppliers and therefore paying back the funds, that money will be recovered, so I think it will take some time before we know what exactly the consequences are, but obviously I am extremely sorry for anyone who has lost money or lost out or lost a job because of what has happened.

Q398 **Dame Angela Eagle:** Mr Cameron, what about the 5,000 workers who work at Liberty Steel, whose future is once more in doubt? What about all of us taxpayers who subsidised the British Business Bank's loans, which also are likely to be irrecoverable as a result of this collapse?

**David Cameron:** Obviously, I am very keen for Britain to continue to have a steel industry. As Prime Minister, I got involved in issues about Port Talbot and Scunthorpe. We are a great industrial nation. I hope we can maintain parts of our steel industry. For all the concerns I have about the concentration on Gupta and GFG, the idea of a green steel industry, where we melt down more of our own scrap rather than export it, and try to build the steel industry on that basis, is something that I think has merits. I hope that those steel jobs can be maintained.

Perhaps your Committee can help us get to the bottom of it, but I do not think it would be fair to say, "Well, it is the failure of Greensill that is putting GFG in jeopardy." It is a symbiotic relationship that obviously went wrong between the two—but all steel jobs that can be saved, I hope they can be.



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Q399 **Dame Angela Eagle:** In his evidence, Lord Macpherson told us, in a typical understatement—I know him well, too—that: “It is slightly disappointing that officials’ time was wasted when that was a valuable commodity because of the wider crisis.” Did you give enough thought to what the Treasury was having to deal with, before or during or after you were generating your 56 messages?

**David Cameron:** Of course, I did think about that just before calling the Treasury. I read Nick Macpherson’s evidence, but I would also draw your attention to the current serving permanent secretary and deputy permanent secretary, who said that they didn’t feel under pressure and they didn’t feel it was an inappropriate use of resources. I think it is a genuine question. We know that the banks have excellent access to the Treasury, and quite right too, but when a lot of lending is carried out by non-bank financial institutions and fintech firms, I think it is important that the Treasury and the Bank of England understand how those work and how they can be included in schemes.

Q400 **Dame Angela Eagle:** So summing that up, it is really no regrets, then, about your own personal behaviour.

**David Cameron:** I am not saying that at all. I think I have said very clearly that ex-Prime Ministers are different. I have reflected on all that has happened. I think there were very special circumstances in the potential economic crisis that followed Covid, but in the future I accept that ex-Prime Ministers, in their different position, should restrict themselves to a single letter to make the points that they might want to make. Hopefully there won’t be any of those, but it was a particular time.

**Dame Angela Eagle:** Chair, thank you very much.

Q401 **Chair:** David, can I come back to one point, which has been gnawing away at me a little bit? I think your contention is that what somebody is paid or what financial incentive arrangement they may be on is not relevant when it comes to how motivated they are or what the motivation is. I think most people would struggle with that idea. I would accept that if these are small amounts, you are probably right, but if they are very large amounts, it is hard to argue that they wouldn’t have some bearing, certainly for most people, on how they would behave under those circumstances. Could I press you just a little bit harder on this basic salary that you were on with Greensill? Are we talking about something up to £1 million, or over £1 million? Could you give us some kind of feel? If it is a relatively small amount, then fine, but—

**David Cameron:** It was a generous, big salary that someone in my position might earn at a bank or what have you. The reason for your being stubborn in pursuing me—I am being stubborn in my responses—is that I do think it is important for people to know that there was an economic interest, absolutely, in pay, in cash and in shares, but the questions that you are asking I don’t think require you to know the exact figures. But, yes, it was a generous salary.

Q402 **Chair:** But “generous salary” could cover a lot of possibilities, couldn’t it?



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Can't you give us something a little bit more specific than that?

**David Cameron:** Well, I think, as I have said, that if I had gone to work for a large bank or suchlike, as some of my predecessors have done, perhaps it would have been even more, but I didn't want to go and work for a large bank. I was excited by working for a UK fintech firm. As I say, in anyone's terms, it was a generous salary.

**Chair:** Okay. Could I go to Steve, please?

Q403 **Mr Baker:** Thank you, Chair. I refer to my registered shareholding in Glint Pay, because we may return to fintech. Mr Cameron, could I just ask you to explain—perhaps you might like to refer to pharmacies—why you were so keen on supply chain finance?

**David Cameron:** I was keen on it for a very simple reason. Maybe the way to do it is to go back to 2012, when Lex Greensill produced this scheme in Government. We were in a credit crunch, and he assembled a whole team of UK corporates, who had agreed to get their suppliers paid early, and use supply chain finance, effectively extending their credit terms—because they can borrow money very cheaply—to all the companies right down in their supply chain. It was this combination of using capital markets and technology to help small businesses get their bills paid on time that I saw as not just a good economic measure but a socially useful measure. That was one of the things that attracted me to working for the business.

Q404 **Mr Baker:** When Mr Greensill gave us evidence, he particularly talked about the technology and machine learning, when I pressed him. What is your understanding about the extent to which those future prescriptions were certain?

**David Cameron:** If you take the NHS example, to start with, my understanding is that the first scheme was literally, instead of the pharmacy waiting 30 or 40 days for the NHS to cough up the money, as soon as they had the invoice approved, they could get the money from, at that stage, Citibank. That was classic receivables finance. What changed with the new scheme was that an algorithm was being used to help predict the prescription behaviour of each chemist, so they could get the money in advance of actually making the prescriptions. This was incredibly popular with pharmacies. A lot of them saw their cost of capital plummet and cash flows to their business improve. It was a very successful scheme. I would not overdo the extent of machine learning and artificial intelligence. It is fairly predictable what pharmacies in—is it High Wycombe?

**Mr Baker:** Wycombe, yes.

**David Cameron:** Wycombe. You have a regular bunch of customers with regular prescriptions, so it is quite easy to predict. Some artificial intelligence and some algorithm were used to predict it, but I wouldn't overdo it. That is a future receivable, with people getting paid for it early.

Q405 **Mr Baker:** But how much was that market, for want of a better term, worth?



**David Cameron:** I don't have the figures, and I don't want to give a misleading figure. I think we are talking hundreds of millions, because I think somewhere towards 20% of NHS pharmacies were using it. For instance, one pharmacy said to us that we were reducing their annual charges from £7,000 to £400. Replacing old-fashioned bank finance with supply chain finance was meaningful for these pharmacies, and also, as Lex Greensill explained, probably saved the NHS £100 million a year too.

Q406 **Mr Baker:** I am just referring to an article in *The Times* on 27 March that suggests, in a paragraph that mentions a meeting between Lex Greensill and Richard Douglas of the Department of Health, a figure of £10 billion a year. The point I am making is that these are very large sums of money involved when the public sector really gets stuck into supply chain finance, aren't they?

**David Cameron:** They are big figures, which leads to questions of why we need an outside body to do it and why the NHS cannot just pay faster, which some in the PAC might come on to when they talk to me later on. I think that is really worth answering, because there are two truths there. First, there is a lot of bureaucracy in government and, even with the best will in the world, sometimes early payment simply does not happen. Secondly, as I think Nick Macpherson was very clear about in his evidence to you, although the Treasury is in favour of it in theory, in practice early payment means the Treasury borrowing more money and paying more interest on it, so there is a cost. What is useful about using supply chain finance, even in the public sector, is that if you are paying big suppliers early, they pay for the benefit of that, rather than the taxpayer. I think it would be sad to rule out supply chain finance in the public sector because I think it can be very helpful for small businesses such as pharmacies, and it can actually save money for the Government at the same time.

Q407 **Mr Baker:** Those of us who have been involved with running businesses will know that it is common practice for a board to work out, strategically, the potential size of their business and of their customer base and their market. What was your and the board's estimate of the potential size of this supply chain finance market within Government?

**David Cameron:** I don't have the figures for within Government. The point I would make is that, while there were lots of ideas in Government, only one—the NHS pharmacy scheme—actually happened. I am sure that you could ask Greensill itself, or a consultant, to give you an estimate. I am sure that there are lots of potential uses, but they have to be properly tested to make sure that they give value for money, and only one has actually happened, in my view. What the overall size of the market could be elsewhere is— As you know, having run a business, working capital globally is an enormous number, and if supply chain finance can provide more working capital solutions, there is a very big addressable market.

Q408 **Mr Baker:** There was a point in my briefing pack—I cannot quite find it—of an account in the press of Jeremy Heywood making introductions at the MOD for Lex Greensill, suggesting that no stone should be unturned, in terms of applying supply chain finance to the MOD's spending. Do you



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recognise that as having taken place?

**David Cameron:** I don't. Look, Lex Greensill was brought into Government by Jeremy, as I said in my statement, to help solve an important problem. My understanding is that lots of ideas were looked at, including at the MOD. The only one that actually came off—because, I think, it had such a good working case—was NHS pharmacies, but I am sure that lots of other things were looked at. Jeremy has been attacked about some of these things, which I do not think is fair. He is not here to defend himself. He was an outstanding civil servant, and he wanted to bring good people in to try and shake things up and deliver good public services, and it is important to put that on the record.

Q409 **Mr Baker:** When the board was considering the size of its market, did it think that it might end up applying supply chain finance to £1 billion, £10 billion, £100 billion of Government spending?

**David Cameron:** The total amount of credit extended by Greensill last year was 140 billion; that was around the world, taking in—whatever it is—150 countries. In Government, it was simply this NHS pharmacy scheme and I can give you the figure for that.

If you look at the planned expansion of Greensill, Government provision wasn't a huge part of it. It was really winning the big corporate clients all over the world that was the biggest focus for the business.

Q410 **Mr Baker:** What I'm driving at here is that by the time you're using this method with Government, you're using it with people's salaries. You have referred to the Earnd app. The potential size of this business was hundreds and hundreds of billions of pounds, wasn't it?

**David Cameron:** Yes, but remember that if you take the 143 billion—dollars actually, not pounds—that is mostly funded through intermediaries: through the Credit Suisse funds, or through banks or what-have-you. So, the financial capacity to deliver that, particularly something that is low risk, such as— I mean, I was a passionate fan of the Earnd app, because you and I know there are lots of people in our public sector who access payday lending or other forms of credit that cost them a lot of money, and it would be much better if they could draw down their salary as they earn it.

Of course, if you finance something like that, the risks are very low, because the chance of the NHS not paying its wages, or Wycombe's borough council not paying its wages, are very low. I'm sorry, I'm giving you long answers, but you can see—

Q411 **Mr Baker:** That's okay. So, to turn back to the Covid Corporate Financing Facility at the Bank of England, where does that money come from when the Bank of England issues it through that facility?

**David Cameron:** The Bank was acting on the Treasury's behalf. I don't—I mean, think it is a Bank of England facility that, of course, is there to buy commercial paper, and that is an asset. Obviously, if those companies continue to succeed, then the costs of that purchase will be relatively low.



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Q412 **Mr Baker:** In the jargon, it is financed by reserves, which of course means it is new money. The Covid Corporate Financing Facility, as people will find online, is new money coming into existence. So wasn't the proposition that you were making—I know you know that I have got a big interest in—

**David Cameron:** I remember a conversation we had about money creation and your view on—

Q413 **Mr Baker:** Yes, but let's not get into it now, because I am running out of time. The point I am making is that when you were arguing that Greensill should use the Covid Corporate Financing Facility, what you were effectively doing, I think, was arguing that these securitisations should take advantage of the Bank of England's money creation. Isn't that right?

**David Cameron:** This is a very important point—Greensill, at no point, was asking for a loan or for a bail-out or for direct Government support. That is not what was happening. What we do, or what we did, was, you know, go to Vodafone and say, "We'll pay your suppliers early. You pay us in 60 or 90 days. Create a bond based around that." And if the CCFF had invested in bonds like that, that would have been money directly into Vodafone's supply base and other British companies' supply bases.

That is what these things are. So, they are quite like commercial paper—

Q414 **Mr Baker:** Finally, with regret, I feel I must ask you a delicate question, because I feel if I don't ask it, it will be asked elsewhere. Were you at any point while you were Prime Minister directly advised by Lex Greensill on the issue of supply chain finance? And in the course of those conversations, at any stage did he intimate that subsequently you might end up working for Greensill?

**David Cameron:** The answer to the first question is he worked in Downing Street. He produced this one initiative, which was a combination of private sector firms signing up to do supply chain finance and the NHS pharmacy scheme. That came to me from civil servants in the proper way, but I think it was largely his work, and we announced that in October 2012. And as far as I was concerned, that was a successful scheme.

I think I met him twice while I was in Downing Street and I can absolutely confirm, at no stage did he ever suggest that I would go to work with or for him afterwards. That happened after I left office. I think that is a very important point.

**Mr Baker:** Thank you very much.

**Chair:** Thank you, Steve. Rushanara, please.

Q415 **Rushanara Ali:** Eid Mubarak, Mr Cameron. I am spending my afternoon with you, instead of my family. I am looking forward to finishing and joining them.

We have established that Mr Sanjeev Gupta was a major account customer of Greensill. Did you know how much money was being loaned



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to Mr Gupta's metal empire, GFG Alliance?

**David Cameron:** I don't have the exact figures. As I have said, I was not involved in the credit committee and I wasn't responsible for extending credit, so I wasn't responsible for those decisions. I don't have an exact figure for you.

Q416 **Rushanara Ali:** The question was, did you know how much money was being loaned to Gupta's metal empire?

**David Cameron:** I don't have that figure.

Q417 **Rushanara Ali:** You didn't know?

**David Cameron:** I knew that GFG was a significant customer of Greensill. I knew that there was an issue about client concentration. I asked questions about that and was reassured that there was a plan to deal with it. That is one of the important reasons for this business not succeeding.

Q418 **Rushanara Ali:** The *Financial Times* article in 2018 spoke about the Greensill link and described it as "financial alchemy", yet you talked earlier about doing the due diligence. For someone who ran our country, perhaps that due diligence didn't serve you well, ultimately.

I will move on to another question. We established in your earlier comments and the evidence you submitted that you lobbied the Chancellor. You also lobbied the then Business Minister, Nadhim Zahawi, in June 2020. His Department is responsible for the British Business Bank. Our understanding is that you were pressing for the maximum loan to Greensill that could be made under the Treasury's coronavirus large business interruption loan scheme, which was ultimately increased from £50 million to £200 million. That was crucial. So, could we infer from what ultimately happened, which is that eight times £50 million in loans were split and Mr Greensill's company was then able to give that loan to GFG-linked companies, that that intensive lobbying effort ultimately paid off?

**David Cameron:** No, I wouldn't say that at all, because the Greensill approach to the British Business Bank, as I understand it, was to be accredited as a lender under those schemes—something I had absolutely no involvement with. It was accredited, as I think were some other fintech firms, not just the traditional banks. That was a successful approach. When Greensill asked to be raised to the higher level, that was ultimately rejected, I think by the British Business Bank and by the Treasury, so no, I wouldn't agree with that formulation at all.

Q419 **Rushanara Ali:** Okay, so did you discuss the British Business Bank and the possible route to getting funding for Greensill at your meeting with the Bank of England?

**David Cameron:** I don't believe I did. As I said, I wasn't at all involved, until the moment of asking whether it could go up to the higher level, in the British Business Bank accreditation process. My involvement with the Bank of England and the Treasury was all about the CCFF because that was where I think we were most enthusiastic about having a product that



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we thought was even better than what they were suggesting and fitted in quite well.

**Q420 Rushanara Ali:** So you are pretty confident that you did not discuss the other scheme—the CLBILS—with the Bank. Did you have any discussions with Nigel Boardman, who was a non-executive board member of—

**David Cameron:** I must qualify something—of course, Richard Sharp, there is a text exchange in there. Richard Sharp was not at the Bank at that stage; he was at the Treasury. I should just make that point. Sorry, your question about Nigel Boardman.

**Q421 Rushanara Ali:** Did you have any discussions about the British Business Bank as a possible route to getting funding with Nigel Boardman? Have you had any conversations with him in the past couple of years? He was, after all, the non-exec board member and also, he is leading the inquiry that the current Prime Minister has announced.

**David Cameron:** I haven't got any record of conversations with him in the last two years. I can double-check that. I certainly have not discussed any of these issues with him, but I am going to take part in his inquiry, and I think I am seeing him next week.

**Q422 Rushanara Ali:** I hope you can understand why I am asking these questions, because there is a very cosy relationship between people in power and people who have been in power, like yourself. What we have, as you have heard, is the spectre of £1 billion, as Lord Myners and others have pointed out, of public money—potentially that's a £3 billion to £5 billion loss to the taxpayer. From what have heard today, frankly it feels like you are not taking responsibility for what has happened.

I want to come back to the point about Mr Greensill. When he gave evidence on Tuesday, I asked the question about the loans to Mr Gupta's companies. Can you just confirm for me the press reports that Greensill loaned a total of £400 million in the CLBILS loans to GFG-linked companies, and that they were split across eight loans of £50 million?

**David Cameron:** I don't have that information. As I say, I was not involved in any of those lending decisions, so I don't have that information and cannot confirm that.

**Q423 Rushanara Ali:** So you don't know?

**David Cameron:** Not for certain, no.

**Q424 Rushanara Ali:** As a former Prime Minister, it seems like you conveniently turned a blind eye to things, or you didn't do the due diligence properly, or you didn't have proper oversight, and your reputation is now in tatters, Mr Cameron.

**David Cameron:** I was an adviser to the company, and I thought I could help the company with some important tasks that included its international expansion, winning customers and working with partners. But I was not involved in lending decisions. I wasn't a director; I wasn't on the credit or risk committees. I think that is a perfectly good way of working with a



business. You are not responsible for the day-to-day decisions. You are not responsible for the lending decisions, but none the less you are working with the team to try to help them expand the business. I talked about the due diligence that I did before joining the company. Obviously, I greatly regret that this company has gone into administration, and there are lessons to learn from that, which I am sure your Committee is going to help us all to learn.

**Q425 Rushanara Ali:** The issue here is that Mr Greensill's company did find a way of circumventing the £50-million cap, and ultimately £400 million-worth of taxpayer-funded loans was made available to Gupta. You know very well the risks to steelworkers—thousands of them—and the wider impact on people and the taxpayer. Should you not take some responsibility for what has happened? You are famously known as "Teflon man". You are a great survivor. No one has taken responsibility, yet taxpayers are already affected and are going to continue to be affected by this.

**David Cameron:** Of course, I take responsibility for my decision to work with this business. I take responsibility for the decisions I made with respect to contacting the Government, for all of those things. As I said to you, I hope that these steel jobs survive. You know, I am not clear about— I watched Paul Myners' evidence about this cost to the taxpayer. I really think your Committee will be able to ask the Treasury for an accurate breakdown of what these costs might be, because we have not seen those, but—

**Q426 Rushanara Ali:** With respect, at the very least it will be £400 million at a very conservative estimate, because those are the loans that—  
*[Inaudible.]*

**David Cameron:** I think the difficulty is that it is a criticism of Greensill that it was overexposed to Gupta and lent too much money to Gupta, but if you are saying that, it is hard to say at the same time that it was not trying to support jobs in the steel industry. I think perhaps the problem is that there needed to be more scepticism from Greensill about Gupta and what was happening...

Perhaps the problem is that there needed to be more scepticism from Greensill about Gupta and what was happening, rather than believing that the vision would actually turn into reality, but we are getting a bit beyond our brief. I think it is going to be a while before we know how this works out, but I hope we will be able to have as many steel jobs in this country as we possibly can.

**Q427 Rushanara Ali:** I think what I am trying to understand is what the actual overall impact has been. You have been given a very hard time about the lobbying operation, and I would say that ultimately, from what happened, your association with Greensill and the lobbying operation that took place did actually, in the end, benefit the company that you were working with.

**David Cameron:** I don't follow that argument, I'm afraid, because what we were asking for—an extension of the CCF to include supply chain



finance—did not happen. Greensill’s accreditation with the British Business Bank did not involve any lobbying at all: it was Greensill going through the accreditation process and, like some other fintech companies, it was accredited as a CBILS lender. The argument you are making, I don’t follow, because ultimately the lobbying effort was unsuccessful, and the Treasury gave good reasons for that, as I said in my evidence earlier.

**Q428 Rushanara Ali:** The Treasury also announced this new scheme. It was the Treasury Department—not BEIS, not the British Business Bank—that announced the CLBILS scheme. Anyway, the point here is that this company ultimately did manage, through these eight different £50 million loans, to access loans that were then provided to companies associated with Mr Gupta, which has left the taxpayer short.

Can I just say that, having listened to the evidence session and your response, I think what people will be really, deeply concerned and alarmed about is how you allowed, frankly, someone who was using you here— At best Mr Greensill was using you, and at worst, frankly, exploiting your reputation and bringing the office of the former Prime Minister into disrepute, and you kind of went along with it. You played along, and you should have been much, much more careful about the due diligence. You turned a blind eye on things that were blindingly obvious.

**David Cameron:** Obviously, I take a different view, which is that I chose to work for Greensill because I thought it had a good core product in extending credit and early payment to small firms in our country. I believed that could be expanded, with huge benefit; I believed that this could have been a UK fintech success story. Now, very sadly, that has not happened to be the case, but I did do due diligence. I did look at the board and at the arrangements the company had in place, but obviously, I deeply regret that this company has failed and that has consequences.

**Q429 Rushanara Ali:** Yes, and huge consequences. For those of us who have worked with you, it is bitterly disappointing. Frankly, this particular scandal is so reputationally damaging to our democracy because of the office you held, but it is damaging in terms of real consequences to real people’s lives.

**David Cameron:** The point I would make is that in our country, for all that I think we can improve transparency and rules around lobbying and everything else, people can see when businesses meet with the Government. We know that; in lots of countries, we do not know that, and before I became Prime Minister, nobody had any idea who was meeting with Government. That is transparent. We have a Lobbying Act, so multi-client lobbyists have to declare who they lobby on behalf of.

Of course, there is more we can do to improve these systems, but ultimately, a company I work with made a suggestion to the Government; the Government turned it down; the civil servants, I think, behaved impeccably throughout and have explained that what was done was perfectly appropriate; and a sensible set of conversations were gone into. I take a different view about how this happened. The sad thing is that the



company itself has now failed and jobs have been lost, and that has real-world consequences.

**Q430 Rushanara Ali:** But I put it to you, Mr Cameron, that what happened was, don't forget, at a time when the Government was dealing with public procurement contracts. We now know that there is a separate VIP lane for Government contracts, and your intense lobbying as a former Prime Minister made it very uncomfortable for Ministers and officials. In the end, what I put to you is that, yes, the Treasury and others said no to you, politely, but they found another route for you, which was through the British Business Bank and through the Department. If you look at the chronology of the announcements that were made, when the coronavirus large business interruption loan was introduced, it was done after that intensive lobbying. I put it to you that, actually, you were successful ultimately in that that company did benefit, and that this stuff smacks of favouritism and power.

Those with power like yourself, with powerful connections and relationships, get access to decision makers and have that access to the VIP lane, the fast lane, into what you want, and that is fundamentally damaging to our democracy. It puts the impartial nature of our civil service in a very difficult position, and you should have known better, Mr Cameron, not least because of the thing you said about lobbying. You were the architect of the lobbying Act. You should have known better and, frankly, it's bitterly disappointing. I have no pleasure in having to sit in this meeting with a former Prime Minister. In your own words, you were the future once. I have no pleasure in being in this situation, sitting in front of you, and for the country to see the former Prime Minister being used in this way by somebody who was close to you and who, frankly, was acting like a con artist.

**David Cameron:** I will perhaps just make one point. On the application to the British Business Bank, I do believe that was a separate application process in which the Treasury was not involved, but it is a very good question for your Committee to take up with the Treasury about whether that was a separate application process. I believe it was, but that might be one outcome of this.

**Rushanara Ali:** The Treasury was responsible for announcing it. I am very grateful for your time. I am simply saying it is deeply disappointing, and I hope that out of this episode and out of that experience that you have had we can make sure that no Prime Minister is ever caught up in a scandal of this nature, because it is bad for our democracy and bad for our impartial civil service. You will never be disassociated from the office of Prime Minister around the world, and even though you are not from my party, I have huge respect for the position of Prime Minister and a former Prime Minister, and what has happened is bitterly disappointing. This whole episode is appalling for our country and our democracy.

**Chair:** Right. David, unless you have anything further to say, I think that brings us to the end of this session. It has been a very difficult session for you, David, in a number of different ways. Undoubtedly the Committee



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has been robust, and in some cases extremely robust with you. However, we are a courteous Committee. We do very much appreciate your having appeared before us today. I know you have found it difficult in part, but you did stand up and be counted and come and sit in front of this Committee and take our questions. For that, we are grateful. That concludes this session.