

Public Administration and Constitutional Affairs Committee

Oral evidence: Pre-Appointment Hearing - Chair, the Committee on Standards in Public Life, HC 930

Tuesday 9 October 2018

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[Watch the meeting](#)

Members present: Mr David Jones (Chair); Ronnie Cowan; Mr Marcus Fysh; Kelvin Hopkins; Dr Rupa Huq.

Questions 1 - 30

Witness

I: Lord Jonathan Evans, Government's preferred candidate.

Written evidence from witnesses:

– [Lord Jonathan Evans](#)

Examination of witness

Witness: Lord Jonathan Evans.

Q1 **Chair:** I would like to welcome you, Lord Evans, to this session of the Public Administration Committee. I should explain that I am chairing the Committee today because our Chairman, Sir Bernard Jenkin, as you will know, was part of the interview panel and he has, therefore, recused himself from this session today. Before we begin, could I ask you to formally identify yourself for the record?

Lord Jonathan Evans: I am Jonathan Evans, Lord Evans of Weardale, a Cross-Bench Peer.

Q2 **Chair:** Thank you, Lord Evans. What was your initial motivation to apply for the position of Chairman of the Committee on Standards in Public Life?

Lord Jonathan Evans: I was not actually looking for an additional role or responsibility but the advertisement was drawn to my attention. Obviously I was aware of the existence of the committee and I knew Lord Bew slightly. I thought that this is an area that is important. I wondered whether it might be something where I could contribute. I talked to a



number of people whose judgment I trust and the general view was that I ought to seriously consider putting my name forward.

Having given it due consideration, I did so on the basis that as a candidate I am in some ways a slightly unusual fit. One could go for a candidate who is absolutely beyond reproach and has never done anything that could in any way be controversial—and that probably would not be somebody with my career background—or you could go for somebody who may have done or had involvement in more controversial issues but, certainly from my perspective, has always sought to do that giving due balance to issues of standards and ethical integrity. The selection committee clearly decided that that was the way it wished to go.

Q3 Chair: What do you personally understand to be the meaning of “the highest standards of public life”? What do you think that means in practice?

Lord Jonathan Evans: I could just draw attention to the Nolan principles but I don’t think that would be particularly helpful to the Committee. I would articulate it in a relatively straightforward way, which is that decisions affecting the public and the public purse should be taken in the interests of the public and in a fair way and should be seen to be taken in that fashion.

Q4 Chair: How would you say you have demonstrated those standards of public life?

Lord Jonathan Evans: My main role in the public sector was in the security service, obviously a part of public service but a slightly unusual one in terms of its constitutional position and some of the powers that are afforded to it. I believe that the way in which I took decisions, as both a senior manager in service and then, in due course, as the director general, sought to ensure that the difficult and controversial matters that we were dealing with were dealt with fairly, lawfully and with high integrity and due accountability, while also recognising that you need to get satisfactory outcomes in the protection of the country and the citizens.

I think the message that I gave very regularly to new staff and to colleagues in the service when I was leading the service was to say that the service has to be a world class security service operating on the basis of high ethical standards. I think those are mutually reinforcing because not all security services or intelligence services globally do operate on high ethical standards, as one only has to read the newspapers over the last few weeks to see, but in a democracy such as the United Kingdom our purpose is to preserve the democracy and the forms of government that the country has in place. Therefore, if we are going to continue to be successful we need public support, and particularly support from our political masters, and that rests upon operating with high standards of



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ethics, so I did not see them in contradiction to each other. That was my principal experience in public service.

For the last five and a half years since I left the security service I have done a variety of things but two in particular that might be worth mentioning. First, I joined the board of HSBC Holdings and in particular was asked to chair a committee of the main board that looked at financial crime compliance, anti-bribery and corruption, anti-money laundering and so on. It sought to provide the non-executive oversight on behalf of the board for a very big change programme affecting the whole bank as a result of shortfalls and errors that were made in the period before that led to the imposition of a deferred prosecution agreement. While the main effort of that rests with the executives, we were successful in being released from the deferred prosecution agreement within the last 12 months. The situation in the bank has moved forward. I think there has been a degree of success in the overall effort and we provided the oversight for that.

Also, I am on the public interest committee of KPMG, which is a committee that the firm is required to have that is there to ensure that public interest issues are independently represented in the governance of the firm. As KPMG and the wider accountancy profession at the moment goes through a difficult time with public trust and the regulatory environment, it is trying to ensure, as part of the firm's governance, that the decisions that are made are those that while preserving the firm economically as a viable and successful firm, are also meeting the public interest. Quite a lot of the functions of the accountancy profession are of concern to the public and not just to the partners of the firm.

Q5 **Ronnie Cowan:** You mentioned in your questionnaire that the advert was brought to your attention by one of the Prime Minister's advisers or somebody at No. 10. Why do you think they approached you?

Lord Jonathan Evans: I think you would have to ask them that. The individual concerned was Jonathan Hellewell who I know slightly. I do not know him in a party political sense. He e-mailed me and said, "I don't know whether you are interested but you might want to see this". I know from my own experience and from involvement in public life generally that many of the jobs that are advertised through the public appointments system do not always get the publicity that they might and, therefore, there tends to be a process of trying to make sure that there is a field of candidates from which the committee can draw. I did not know, when it was drawn to my attention, whether this was because they had somebody they wanted lined up but they needed a few other bodies to discount or the contrary.

Q6 **Ronnie Cowan:** You make the point that these jobs are not widely advertised. I think there were 16 applicants for this particular job.

Lord Jonathan Evans: I did not know that.



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Ronnie Cowan: You did not see it on the website or in any publications? It was simply brought to your attention by somebody within No. 10?

Lord Jonathan Evans: That is correct.

Q7 **Ronnie Cowan:** The job description called for "independence, integrity and strength of character of the highest order". I am looking at the makeup of the committee. Do you have any say in the makeup of the committee?

Lord Jonathan Evans: At present?

Ronnie Cowan: Should you be appointed as the chair.

Lord Jonathan Evans: I do not know the exact process but I would be very surprised if the voice of the chairman was not influential. There will be an appointments procedure.

Q8 **Ronnie Cowan:** There are four independents of the Prime Minister, one Conservative, one Labour and, rather surprisingly in this day and age, still one Liberal Democrat. I don't know why there is a Lib Dem in there. That is what you have to work with. I will go back to my original question. How do you maintain that independence, because they obviously have forces from elsewhere?

Lord Jonathan Evans: The fact that there is a variety of different voices on the committee in itself means that you are not necessarily going to head in one direction. I think that is reasonable because the nature of public life is that there are people with strong and different voices in it. Part of the role of the committee is to try to draw those out and reach a degree of common ground on them.

I am used to operating in a potentially quite complex political environment. I was appointed as the director general by a Labour Prime Minister and I worked for three Labour Home Secretaries and one Conservative Home Secretary, who has gone on to do other things subsequently. Part of the role of the director general is to maintain the political independence of the security service while also recognising that you operate under the authority of the Secretary of State.

In that sense, I have some experience of trying to balance independence while taking account of political reality and I think that is part of the role of the committee. You can have a committee that is formed entirely of people who are above and beyond politics but I am not sure that that would necessarily have the reach that you need. I think the diversity of the committee is a strength in that regard.

Q9 **Kelvin Hopkins:** You clearly have a deep understanding of how parts of Westminster and Whitehall work but, as you say in your questionnaire, you will need to learn more about the wider public sector. How would you do that?



Lord Jonathan Evans: My normal approach to these things is to talk to as many people as possible and to get different views and to visit and kick the tyres, as they say. I am involved in school governance, so I have some idea of the issues of multi-academy trusts and so on and the education pressures. I am not entirely unfamiliar with the education side of the business. I do not have a lot of direct experience, except as patient, of the health service, so I would need to understand more about the dynamics, tensions and issues facing the health service. As I say, I think the best way to do that is to try to talk to as many voices as you can and to hear from them the pressures they are under. It is very clear to any casual observer that the health service is under acute pressure of various sorts.

That is the approach that I would take there and I think the same for local government. The challenge on local government, of course, is that, by the nature of being local, it is relatively fragmented. There are different models of service delivery in different environments and, again, it is under very acute financial pressure in certain areas. I am glad that standards in local government is an area that the committee has been looking at and is looking at currently and we have an experienced person with expertise in local government on the committee.

Q10 **Kelvin Hopkins:** You will know that in the wider public sector there is often very large financial involvement of contracts and public servants make decisions about contracts and there are obvious dangers there. Is it not very important perhaps to revive some rather old fashioned views on how we behave in the public sector? I remember one of your House of Lords colleagues, Lord King, talked about the importance of honour, principle and integrity in those terms. Do you think we ought to reemphasise those kinds of values?

Lord Jonathan Evans: I do actually, yes. I feel that a lot of people in the public sector have a commitment to vocation and they believe in what is being done and it is very important that there should be space to express that, to talk about it and to celebrate it. If you just pile bureaucratic process on bureaucratic process the whole thing becomes a rather deadening compliance exercise. I think the way in which one can make this live more in people's day-to-day experience is by giving the space for people to think about it. My experience in the bank is that it does not work as well if it is a tick-box compliance exercise and it is quite numbing and slowing on people's ability to get the job done. We need to avoid that, as far as possible. That needs to be balanced with the ability, where there is malpractice, to do something about it and to come down on it hard. But I think that most people in public service do it because they believe in it and those issues of public service and honour and so on matter to them. I would hope that as a committee we can encourage the leaders of public service organisations and institutions to provide the space and the encouragement for people to think about those issues and be confident in speaking out on them.



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Q11 Kelvin Hopkins: Many decades ago there were some serious scandals in the north-east of England in particular where people were prosecuted and went to prison.

Lord Jonathan Evans: T Dan Smith.

Kelvin Hopkins: Indeed. What concerns me is where people do not realise that they are being drawn into being compromised. Many decades I was a councillor and I was approached by a friend who worked for a building corporation who wanted to talk to me about housing. I said, "You don't talk to me as a councillor. You talk to the chief executive and the director of housing. That is the route. When they bring that to a committee, that is when I will consider it". But I could have easily advanced that and suddenly unexpectedly found a case of champagne on my doorstep or something. That is the way things go wrong. Do you not think we ought to perhaps make sure these things are understood properly?

Lord Jonathan Evans: I certainly do. If you go back to the original Nolan committee, the Nolan report in 1995, I think there has been an increase in explicit emphasis on standards issues. It appears that has not increased public trust and that is quite an interesting conundrum in a way. As a school governor, which I am, the principles are drawn to your attention. There is a difficult balance between ensuring that the right things are emphasised, on the one hand, but also having appropriate monitoring and enforcement so that if there is abuse it can be acted on. I agree with you that the best defence is that people are aware of and own themselves the issues of integrity and moral seriousness that they ought to have if they are in public service. You can't rely always on having detailed procedures that will catch every circumstance that you might find yourself in. I completely agree with the broad thrust of what you say, which is that people have to own this themselves and feel that there is a moral issue underlying it.

Q12 Mr Marcus Fysh: You have indicated that if appointed you might give up some of your existing roles but maintain others. Could you say a bit about that and what decision-making factors you would identify as being important in choosing what to do?

Lord Jonathan Evans: There are two issues here from my point of view. The first is whether there are any roles that I am currently undertaking that would be in conflict if I were successful in being appointed chair of this committee. The second issue is that the time commitment on this job is non-trivial. I am pretty busy with a collective of business things and not for profit and charitable roles and so on, and I need to make sure that I have enough time to give the appropriate attention to this function.

On the first, I am minded to resign from the Parliamentary and Political Honours Committee. I have been a member of that for a period and in having conversations around this with people whose judgment I respect, that is the area where a number of people have scratched their heads



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and said, "Not quite sure". I am not sure that strictly there is a direct conflict but in terms of the perception it is probably better not to be sitting on a committee that is providing honours to politicians and so on if you are also Chairman of the Committee on Standards in Public Life. It does not feel quite right, so my intention would be to resign from that role.

In terms of time, I would have to stand down from one or two of my commercial roles and I think it would be slightly discourteous if I were to talk about that publicly here until I have had the opportunity to talk to the relevant companies and, of course, I have certain responsibilities that I have taken on. But my intention, if successful, would be to stand down from one or possibly two of my more substantial commercial roles in order to free up the time for this job. I would be very happy to write to this Committee once I have had those conversations and taken decisions if the Committee would find that helpful.

Chair: Thank you. Dr Huq, do you want to raise any additional points on that?

Q13 **Dr Rupa Huq:** I think my questions have been answered. I was going to ask about the service honours committee, but you will step down from that?

Lord Jonathan Evans: Yes, it is my intention to do so. I talked to a number of people and it is not an obvious scandal to be on both but I think it is unhelpful and, therefore, I would resign from that. I am also on the Gallantry Committee, which does the George Crosses and all that sort of thing. I don't think I need to stand down from that one and I would regret it if I had to but I would if I needed to. But the Parliamentary and Political Honours Committee does not feel quite right and in this job it is probably better to err on the side of caution, so I would stand down from that committee.

Q14 **Dr Rupa Huq:** I usually get the question on diversity on this Committee, so it is good to see that Bristol is more diverse than Oxford and Cambridge. That is diversity for you.

Lord Jonathan Evans: I apologise for being a white male but there is not a lot I can do about it or there is not a lot I intend to do about it.

Q15 **Chair:** You indicated in your replies to the questionnaire that you regarded high standards as not being simply a question of compliance but rather, as you put it, a "hearts and minds issue". Could you explain what you meant by that expression?

Lord Jonathan Evans: I suppose there are three elements to it. You can have a system that just says, "If you want to do X, you have to do the following procedures" and that is a strict compliance. You do not need to worry about why, just do it and it will be all right. That is one approach, which is a strict process one.



The next issue is to say, "We will explain to you in detail the wider context of all this so that you can make the appropriate risk judgments and make sensibly informed decisions that you understand and own and as part of that you also need to go through these bits of compliance", so that is almost a fall back. That is better, in my view. Where you are in uncharted territory or where there is an ambiguity, I think it is much better if people feel a personal responsibility to do the right thing. That is easily said and it is not always easy to achieve.

By way of example, when I was in the security service we actively encouraged our younger staff, who are not dyed-in-the-wool old securocrats but come in as young intelligent people without that experience, by saying to them, "If you see anything here that you think, 'I don't know about that, ethically', it is your responsibility not to just swallow it and get on with it. It is your responsibility to say, 'Actually, I'm uncomfortable with this. Are we sure we're doing the right thing here?'" It seemed to me that the chances of my spotting an ethical dilemma in my office a long way from the front and from the operational work of the service were quite low, because you have an experience that is some years old.

The best thing you can do is to have a continuing ethical dialogue among the people who are doing the work and to make that open and seen as part of their responsibility, not just, "Shut up and do your job", because I think that way you have sensitivity about the issues that are out there. It is the approach of capitalising on the fact—maybe I am a romantic, I don't think I am—that most people want to do a good job most of the time. You should be using that positively as a way of making the best of their instincts and celebrating those so that it becomes part of the culture to talk about issues and for that to be in a non-judgmental way. I suppose it is a bit like the health and safety type of issues but in a different context and being open about the issues.

Q16 **Chair:** It is important that people should understand the ethical background to the compliance that they are being required to undertake?

Lord Jonathan Evans: You put it much more concisely than I did. Yes.

Q17 **Chair:** Is it your perception that that is happening now or is it your perception that we are becoming much more of a tick-box culture in public life?

Lord Jonathan Evans: My evidence on this is anecdotal really because I do not have the data and research in front of me. I think there is a danger that if you go for lots and lots of bureaucracy that people just get fed up with it and it is alienating and they do not know why they are doing it but they have to. You have to have bureaucracy that people really understand. It is always a bore to fill in forms and stuff, isn't it, but at least people have to understand why they are doing it and why this makes a difference.



Q18 **Chair:** Would you say that to a certain extent a cultural change is called for?

Lord Jonathan Evans: I am always slightly cautious about culture because it tends to be a catchall that when you have an insuperable problem you say, "It is culture" and that does not necessarily help, but I do think there is something here. It is difficult to say whether the situation is going backwards but I think that ensuring that there is almost a celebration of public service as opposed to a beating of people with process is highly desirable. It is partly a leadership issue. If leaders talk about this kind of stuff and care about it and make it something that is the way they do things, that has a big impact on the whole of an organisation.

Q19 **Chair:** How do you think that the Committee on Standards in Public Life can contribute to that sort of change?

Lord Jonathan Evans: The committee has published one or two reports over the last 10 years that touch on these issues. You could conceive of a report that revisits that issue and looks to say, "Where is best practice in this? Where is getting this right, where isn't getting it right?" From that one can get recommendations and advice on how to do it and encouragement to do it. I think you would start by going to the senior levels and saying, "What are you doing in your organisation to ensure that this is part of induction, that it is part of people's daily lives, that it is the things that the management worry about as well as other things?" and not to look at detailed processing systems but to look at examples of good practice and to promulgate and encourage those.

Q20 **Chair:** What would be your first priority once your appointment is confirmed?

Lord Jonathan Evans: In practical terms, my first priority is, of course, to meet the committee members and the other stakeholders. One of the characteristics of the committee that is already very evident is that we do not stand alone as the single body in public life that defends standards. There is a lot of different organisations, regulators, standards boards and so on, and ensuring that we are adding value is important. My agenda, if I were to become chairman, would be to a large extent determined by the conversations that I would have with all the other serious stakeholders, in Parliament and the political world, in Government, in local government and in service delivery. I think that is quite a big job to get through by way of induction because there are so many stakeholders.

I am keen that we should look at this question of how values are made to live in an organisation rather than just how compliance systems are made to live in an organisation. That is something that I would want to put as a priority and it is worth the committee at least considering whether it wishes to look at a number of other areas. There is some continuing controversy, certainly in the media, about post-public life employment. Whether that is a serious problem or it is not, I think it would be helpful



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for the committee to consider it and have a look across the piece to say, "How big an issue is this and, if it is a big issue, what can be done about it?" It is at least worth considering, given some of the recent publicity and media coverage, whether there are issues about the whole area of academies and so on, because there have been one or two pretty shocking accounts of malpractice. I do not know enough to know whether that is best done by us or whether this is an enforcement issue with existing structures and so on.

The other issue is that traditionally the committee has tended to do quite substantial, big pieces of work on a relatively slowish basis. I do not mean that the work is not intense but it is large chunks of work. It is at least worth consideration as to whether there are some quick and dirty reports that are worth doing. It is not necessarily trying to be comprehensive about an area but on particular issues, without turning into an ambulance-chasing organisation that responds to what was in the Sunday papers last week and suddenly pops up with a half-baked opinion.

Q21 Dr Rupa Huq: You said before that the Committee on Standards in Public Life is little known to the general public. Do you have any appetite to change that? You have also said that when needed you would be able to get public attention. You don't want to be attention seeking but when needed you could. I know that when you were at the top of MI5 you were more public facing than some of your predecessors. That organisation has gone a long way from when nobody knew who those shady figures were. In what circumstances would you see the need to seek public attention and how would you do that?

Lord Jonathan Evans: If I am appointed there is probably something to be said for coming out publicly to say that, "This is the role I am now playing and this is why I think it is important and these are the sort of issues it could address", and I suspect I could get airtime for that just to establish the committee and its new membership, including me. I think there might be something to be done there. Really we have to base it off effective and good research because if you are just popping up to comment on passing issues, that is not going to be particularly persuasive. When there is well-based research that is relevant and of interest to the public, we ought to do as much as we can to get that into the public eye. I don't think that I ought to be appearing in the media every other week commenting but there ought to be a fairly regular drumbeat of, "These are the issues that matter to you as a citizen and these are the sort of areas where I think there can be improvement".

You mentioned the way in which the security service did it. We tried not to be popping up all the time. We said something only when we actually had something to say. I think that is rather important because otherwise you just become a fixture that is always trying to get heard and I am not sure that is particularly helpful.

Q22 Dr Rupa Huq: Alternatively, you get known at the time of a crisis.



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Lord Jonathan Evans: Yes, when something goes wrong. The purpose of this committee is not to fill the news agenda but it is important that the work of the committee is familiar to those people who are interested in it or might be interested in it if they knew about it. It is not going to be a committee that everybody in the country wakes up in the morning and thinks, "What have they done today?" It is not that sort of thing but it is something that does matter to people who care about these issues and we ought to have a voice, among others, that comes with a degree of authority from the research that we have done.

Q23 **Dr Rupa Huq:** Does that include new media, social media, those things? Will you be engaging in those?

Lord Jonathan Evans: Yes. We do have a Twitter account and a blog. I cannot say that I am expert on the new media but I absolutely recognise that in order to get to wide audiences. The way in which they access their news is not through reading *The Sunday Telegraph*, it is through social media. We need to have the appropriate social media presence and make it sufficiently attractive that people want to retweet and so on.

Q24 **Kelvin Hopkins:** My questions dovetail to some extent with what was said earlier about concern about ethical standards. Ethical standards in public services is an issue that concerns many people beyond Westminster, especially when they go wrong. What experience do you have in engaging effectively with people from a range of different backgrounds?

Lord Jonathan Evans: That is a good question. In the security service, at a personal level you engage with a remarkably wide range of people but not as a public official in a formal role, so in that sense it is a slightly different environment. The strength that we have in the committee is that we have people from a variety of different parts of the public service and we also have MPs and political figures who have that reach into their local communities and into the party more widely. I think that one ought to look at this across the range of the committee's work rather than just me. I cannot say that I have a large and deep reach into regional communities and so on, because I don't.

Q25 **Kelvin Hopkins:** You talked earlier about more junior people in your own organisations in the past. At every level it is important, is it not, for public servants to be imbued with the public service ethos and to be driven internally with those sorts of values? Is it important to make sure that people have those values when they enter public service and are not just there for a bit of cash where they can make a bit of money and then move off and make money elsewhere but that they are people who want to be public servants? I have known many people in my life who want to be public servants. They want to serve the public interest, in and for the public realm, and I think those values are important. Do you think it is important to make sure those values are deeply rooted and established throughout the public service?



Lord Jonathan Evans: I do. There are two elements to this. There is the question of whether you recruit people with the right motivations and, as far as possible, I think one should do so. Obviously you cannot require every person who pushes a hospital trolley or something to demonstrate their commitment to public service values, although I suspect they probably have a degree of service values about them. It is also a question of the culture—going back to that word—into which they are brought and providing an explicit agenda for recruitment and induction but also the way in which the organisation runs, because people tend to pick up and what they care about is influenced by the people who are around them. I think if you can get the right tone in an organisation it will help those values to grow.

I am on the Council of Reference for something called the Westminster Abbey Institute, which is about ethics and standards in public life and celebrating them. It is quite interesting that one of the things that institute has done rather successfully—and it comes from a Westminster Abbey background but it is not a narrow sectarian organisation at all—is to provide space for some Government Departments' teams to come and talk about what is public service, what is the long-term value of public service, and that has been really welcomed.

People like having a space in which they can talk about those things, because in the daily pressure of delivery and meeting your targets and so on that can get a bit pushed aside. I think you are missing something quite big if you do not provide the space for people, because there is a motive. Most people, particularly people in the public service—not only people in the public service but particularly people in the public service—want to do good and I think that is something that we should actively encourage. We should value that alongside performance indicators.

- Q26 **Kelvin Hopkins:** Public servants inevitably have to deal with the private world outside, private interests, and junior members of the public service particularly, wherever they might be, might be approached by commercial, private interests outside, individuals and whatever. Is it not wise to advise them always that if they are in doubt about anything to report to a senior person in their organisation to say, "Look, I am concerned about this. I am not quite sure if I am doing the right thing or whether this approach is appropriate", to raise it with senior people to make sure that other people further up the organisation are aware?

Lord Jonathan Evans: Yes, it is and that touches on the whole question of whistle-blowing. It is important to have robust, independent whistle-blowing arrangements in the public sector—and in the private sector actually—but in a sense those should be exceptional because you should have an organisation where people are happy to raise concerns about anything internally without being frightened that it will be a bad thing. It is the point that you make that there should be very clear guidance and support to say, "If you have any approaches of this sort that make you



feel uncomfortable, talk about it because we understand and we can help you”.

Formal whistle-blowing is very important but it is a last resort and you should not just rely on that. You should also have an internal culture that enables people to feel comfortable about expressing concerns and that should be welcomed and, certainly from the management point of view, that is a strength. The point you make is very important and a supplement to the more formal whistle-blowing procedures. They do need to be in place but if you get it right inside there should be few occasions on which people feel they need to go outside because they cannot get a fair hearing or a safe hearing for concerns that they may have. You do have to have that formal channel.

Q27 Mr Marcus Fysh: I wanted to jump in and ask a bit more, going back to what you were saying before about your role at KPMG. Could you talk in general terms about some of the experience that you have had there in analysing and dealing with conflicts of interest? As you said at the beginning, that is the main thread that you have identified as being the important thing to identify. Could you say a little bit more about that? KPMG has a variety of roles in all sorts of organisations that might be linked to the Government in one way or another. How would you intend managing the relationship that you have with KPMG and the relationship that you might have in overseeing Government-related entities on an ongoing basis?

Lord Jonathan Evans: The first thing to say is that I have no responsibility at KPMG for revenues or sales or anything of that sort. I am not on a bonus structure or anything of that sort. I just get a fee for my role as a member of the public interest committee. In that sense, there is no direct incentive on me to maximise KPMG sales or anything. It is not that sort of role. It is an independent, public interest-facing role. If there were an issue facing the Committee on Standards in Public Life that directly related to KPMG or the big four, who tend to have rather similar issues, I would need to consider whether or not to recuse myself from that conversation because of the perceived issue of conflict.

In the way in which the role plays out, the principal responsibility for decisions on how the firm operates is for the senior partner, managing partner and the board, and I am not a voting member of the board, although I occasionally attend board meetings just to keep myself abreast of thinking. But the focus of the work of the public interest committee is audit quality, the issue of how best to manage conflicts between audit and other contractual work for particular entities, and also—and the one where I tend to be focused a bit more—on prudential risks. If we had another Arthur Andersen where one of the big four curled up and died, that would exacerbate public interest concerns, so there is a regulatory interest in ensuring the continued viability of the firm and that is a risk issue. I do not have a vote at but I do sit in at the risk



committee in order to satisfy myself and colleagues that these issues are being seriously addressed.

The other relationship that we have is with the Financial Reporting Council, which publishes the “Audit Firm Governance Code” that outlines the sort of roles that it expects the public interest committee to take, so I meet regularly with the FRC in that context. Again, if the CSPL got closely involved in questions about the role and future of the Financial Reporting Council, I would need to consider how to manage that potential conflict, although there are plenty of other people who are considering that at the moment and I doubt that it will come our way because it is already being reviewed by John Kingman.

- Q28 **Chair:** You have spent most of your career behind the scenes, operating in conditions of extreme privacy, and you might possibly be regarded as one of the ultimate members of the establishment. In fact, one of your former colleagues was criticised, on Sunday, for being a member of the establishment by a senior Member of Parliament. How do you think you can transfer that experience of working within the system to a role that asks you to stand outside the system and be publicly critical of it?

Lord Jonathan Evans: The first thing to say is that I have been outside of Government for the last five and a half years and I have not taken any roles other than as an independent member of one of the honours committees and the Gallantry Committee. Secondly, one of the requirements in my role in the security service was to maintain the right distance from the political process and to ensure that the service was not drawn into direct political controversy. I think we were successful in doing that and were able to operate on a bipartisan basis. We did not directly support a Minister in the way that a Government Department does, so there was a sort of air gap.

From my point of view, I am a Cross-Bench Peer. I am not a member of a political party. I am not aware of anything that the Government have that would persuade me. They do not have anything I want, as far as I can think, and I do not think they have anything with which to put pressure on me. From that point of view, I feel myself to be my own person and if Government needs to be criticised I am quite happy to criticise Government.

- Q29 **Chair:** The committee can make recommendations but it has no direct levers to effect change. How would you propose to go about influencing people and Government to accept the recommendations and to deliver the change that was recommended?

Lord Jonathan Evans: The first thing is how persuasive and well researched the reports are and the recommendations in them. The second is, going back to Dr Huq’s point, the fact that the media is potentially an area of—leverage sounds a bit crude but if one is able to get the recommendations publicly visible that encourages people to respond to them. Finally, I think we need to go back and challenge, as far



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as we can, given the advisory nature of the committee, where recommendations have not been followed through. In that sense I guess we are not hugely different from Select Committees who can have influence, particularly where they are persuasive, but they are not part of the Government. They can't force Government to do things but they can bring a degree of moral force or intellectual force to bear, which can direct pressure on a particular trajectory.

Q30 **Chair:** Lord Evans, thank you for attending the Committee today and for dealing with our questions so fully. Are there any points that you would like to make now before I close the session?

Lord Jonathan Evans: No, except to say that I recognise that if I am confirmed as chairman of the committee we will want to work very closely with you and the Chairman and I would look forward to doing so.

Chair: Thank you very much indeed.