

## **Public Administration and Constitutional Affairs Committee**

### **Pre-Appointment Hearing Questionnaire for Government's Preferred Candidate for Chair of the Advisory Committee on Business Appointments, Rt Hon Lord Pickles**

**5 March 2020**

Please provide answers to the questions below to assist Members of the Committee in focussing their questioning during your pre-appointment hearing. The Committee will normally publish the answers you provide as part of its Report on the hearing.

#### **Motivation**

1. What motivated you to apply for this role, and on which of your experiences in particular will you draw, in performing this role?

The Chair of ACOBA plays an important role in ensuring the transition from an influential government position, whether ministerial or official, to private remuneration is seen to be fair and reasonable. I want to make this process work fairly and sensibly, in such a way that satisfies Parliament, the public and the applicant.

The Civil Service has changed over the last quarter of a century. Career paths are different, movement between government and outside bodies is no longer the novelty it once was. This is a strength to the Service and to a wider appreciation of government. To continue to attract the best people to public service the balance between maximising experience with opportunity and unfair advantage akin to insider trading needs to be unambiguously defined.

I hope I can bring my forty years of experience of public life to this challenging post. For example, while I was Secretary of State for Communities and Local Government for five years, I introduced the Localism Act and a new ethical regime in local government. This included tackling and gripping high profile issues such as councillors who acted as lobbyists. Additionally, I dealt with the issue of "revolving doors" in local government, particularly the "Golden Goodbyes" that were bringing local authorities into disrepute. I also ended the (pre-2010) use by my department's agencies of hiring lobbyists to lobby government.

My department became the first Whitehall department to advertise all its external job vacancies online, to open up the Civil Service to those who worked in the voluntary sector, the private sector, and other parts of the public sector (particularly local government).

I believe these reforms maintained fairness and transparency to the individual and to the responsibility to the public.

**2. If appointed, will you need to acquire new skills or knowledge to perform the role?**

Yes, I will want to understand more about how the Committee works in practice, for example, how to ensure that the Committee is a cohesive team and works effectively; and how to get the best from the Secretariat. I would also like to interrogate the data on how all parts of the system are operating, including in Departments and Arms Length Bodies.

**3. The candidate pack stated that applications from those currently working in, or with experience of, the private sector, were particularly welcome: do you have experiences to draw on in this respect?**

Yes, I spent three years as a non-executive director on Board of a privately-owned company.

**4. How were you recruited? Were you encouraged to apply and, if so, by whom?**

I saw the role advertised on the HM Government Public Appointments website. I had already been appointed by the Prime Minister as a political member of the Committee to replace Baroness Browning at the end of her term.

**Personal Background**

**5. Do you have any current or potential business, financial or other non-pecuniary interests or commitments, that might give rise to the perception of a conflict of interest if you are appointed?**

**(if so, how do you intend to resolve any potential conflicts of interests if you are appointed?)**

No.

**6. If appointed, what professional or voluntary work commitments will you continue to undertake, or do you intend to take on, alongside your new role? What impact would they have on your ability to carry out your new role?**

I will continue in my roles as an active Member of the House of Lords, as well as the UK Special Envoy on Post-Holocaust Issues and Co-Chair of the UK Holocaust Memorial Foundation. As the ACOBA Chair is expected to commit an average of 2-3 days a month, I expect this to be a balanced and deliverable portfolio of work.

**7. How will you demonstrate your political impartiality in the role, if appointed?**

I firmly believe that someone who has a record of being active within a political party is more than capable of acting with impartiality. Whether someone joins a party or organisation, or not, they are all subject to preference and prejudice. Our democracy demands that those in authority, who exercise judgement on individuals, leave those prejudices behind. I have exercised that discretion on quasi-judicial planning decisions, allocation of public funds, public appointments and advice on honours.

## **8. Do you intend to serve your full term of office?**

Yes. I understand that the Chair is appointed by the Prime Minister for a five year non-renewable term.

## **The Advisory Committee on Business Appointments (ACoBA)**

## **9. If appointed, what will be your main priorities on taking up the role?**

My main priorities will be to:

- Establish excellent working relationships with the Committee, ensuring that, as Chair, I am identifying problems, identifying the key decisions required and taking the members with me.
- Conduct a quick review of the system, focussing on pinch points where improvements need to be made. I will seek to use metrics and employ 'mystery shopping' to understand existing performance and make improvements.
- Ensure public confidence in the integrity of the system, given past concern about 'revolving doors' and lobbying. I will put a strong emphasis on addressing personal monetary enrichment through privileged information.
- Recognise the benefits to government of the movement of employees between the public, private and voluntary sector.

## **10. Does ACoBA have the powers it needs to prevent perceived or actual impropriety in the movement of public servants into the private sector or of private sector contractors into and out of the public sector?**

It is the Cabinet Office, rather than the Chair of ACOBA, that has the ability to make changes to the Business Appointment Rules. Once I have reviewed the system, I would certainly be keen to discuss with them any changes which are necessary to shape ACOBA's work, to ensure the Committee delivers on its original intentions, to avoid:

- any suspicion that an appointment might be a reward for past favours
- the risk that an employer might recruit to gain an improper financial advantage from a former official who holds information about its competitors, or about impending government policy
- the risk of a former official or minister improperly exploiting privileged access to contacts in government for monetary gain.

We should equally encourage the Civil Service to attract diverse talent from the voluntary sector, private sector and other parts of the public sector, and allow the Civil Service to gain experience in those external sectors.

## **11. When ACoBA advises former public servants taking up private sector appointments within two years of leaving public service, that certain conditions should apply to their work, what mechanisms does it have for assessing whether that advice is followed?**

ACOBA's role is currently advisory; it does not have a monitoring role. But these are issues which can be examined further. I feel strongly that transparency is the key to compliance.

**12. Is the work of ACoBa sufficiently transparent?**

ACOBA's advice is published on its website. I regard this as an important soft power piece of persuasion to encourage compliance with the standards of public life. These are issues which will be examined further, and in many ways could be the start of scrutiny not the end.

**13. You have personal experience in applying to ACoBA after the end of your period in government as Secretary of State for Communities and Local Government. Do you have any reflections on ACoBA's process from your experience?**

I consulted ACOBA before I took up a non-executive role in the private sector in 2016. I found the process straight forward, simple and uncomplicated. I had a reasonable idea of how long it would take, and advised my potential firm that this was an important condition on me accepting their offer. It also served as a reminder, at a confusing time, of what was and was not an appropriate potential appointment, both to myself and potential firms. I found the latter particularly useful.

**12. What criteria will you use to judge your performance over your term of office?**

- That the body is demonstratively run in accordance with the Nolan Principles of public life.
- That it is unambiguous in the way it applies the Business Appointment Rules.
- That government departments, applicants and potential employees have a comprehensive awareness of the Rules.
- Enhanced public confidence in the system.
- Ensuring a smooth transition between the public and private sector.
- Concentrate on substance rather than form, but ensure there is a prompt and targeted response to requests for advice.

**13. What criteria should the Committee use to judge the performance of ACoBA over your term of office?**

That I address the central dilemma referred to in Q14. Additionally that I and the body are focused on substance and not form, and that priority is targeted on unfair monetary advantage. By the end of the first year, expectations of and guidance for civil servants working in or overseeing procurement, contract negotiations and market regulations are clearly understood by all. This is not to suggest there is an immediate problem, but to recognise that 2020 is good time to lay down ground rules.

**14. What do you see as the key risks to delivering ACoBA's objectives?**

As I wrote earlier the Civil Service has changed over the last quarter of a century. Career paths are different, movement between government and outside bodies is no longer the novelty it once was. This is a strength to the Service and to a wider appreciation of government. To continue to attract the best people to public service, the balance between i) maximising experience with opportunity and ii) unfair advantage akin to insider trading needs to be unambiguously defined.

The risk is not getting that balance right, failing to attract the best, and losing the public's confidence in the integrity of the Civil Service.

**15. The Report of the previous Committee noted that ACoBA's workload had increased while its resources had not changed since 1998. How would you be an effective advocate for increased funding, should ACoBA require it?**

I agree that it is important that the work is adequately resourced. I also believe that the work is targeted on substance rather than form and that it is focused on inappropriate use of privileged information for monetary gain. I will establish and maintain a good working relationship with the Cabinet Office, which sponsors ACOBA.

**16. What do you consider have been the main successes and areas of challenge for ACoBA? What will you do to address any underperformance? What will you do to identify reasons for success and ways of applying those more widely?**

ACOBA has considered hundreds of cases, and these are becoming increasingly complex. Importantly, it also publishes its advice on its website.

As stated previously, I would look to quickly review its operation to address complexity, any underperformance and reasons for success/ failure.

**17. What is your assessment of the public profile and reputation of ACoBA, and of the appointments system more generally? What are your objectives in this area?**

I understand that predecessor Committees have argued that ACOBA and the Business Appointment Rules should be strengthened. I think the latter very important. Greater clarity in employment contracts would greatly assist in laying clear ground rules for employees.

It is right that people should be able to forge careers and earn an income to support themselves and their families. There is an inherent tension between preventing conflicts of interest on the one hand, and attracting diverse talent and facilitating movement on the other. Getting the balance right between these objectives determines success or failure.

**18. How will you protect and enhance your personal independence and the institutional independence of ACoBA?**

The nature of the post protects the holder's independence. If there were any suggestion that the Chair was susceptible to pressure they would instantly become

pointless and the body an irrelevance. That would serve neither the government, the Civil Service nor the public.