



PACAC (Public Administration and Constitutional Affairs Committee)

House of Commons · London SW1A 0AA

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Simon Case CVO
Cabinet Secretary
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20th May 2021

Dear Mr Case,

Propriety and Ethics in Government – Follow-up

Thank you for your letter of 14 May to the Committee. Further to that letter, the Committee has a few outstanding issues upon which we would appreciate you shedding further light.

In your letter, you indicated that you have uncovered signed appointment letters relating to Mr Greensill covering the period from April 2012 to March 2014, which contain provisions about his conflicts of interest and duties incumbent upon him regarding conduct, propriety and confidentiality. The Committee would welcome the opportunity to review these, in private if necessary, and would ask your office to make the necessary arrangements with the Committee Clerk at the earliest opportunity. The Committee also notes that these do not seem to cover the entirety of the period of Mr Greensill's involvement with the Cabinet Office, and we would be interested in reviewing any further information on relevant appointment letters or contracts with Mr Greensill that are uncovered, on the same basis if necessary.

The Committee would also like to follow up on a point raised during your evidence session of 26th April on which your letter was silent. During that session, you undertook to revert to the Committee in response to the question of whether the Secretary of State for Health and Social Care asked his Permanent Secretary if he was required to declare his interest in his family's firm before they became listed on the NHS contractor register, or whether the Secretary of State presumed that he did not need to do so? And if the Secretary of State did pose such a question to the Permanent Secretary at the time, was any request for clarification or advice put through to the then Cabinet Secretary?

I would be grateful for a response to this by 28 May, and I will be placing this letter, and your response, in the public domain.

Yours ever,

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William Wragg MP
Chair, Public Administration and Constitutional Affairs Committee



HM Government

Simon Case
Cabinet Secretary
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William Wragg MP
Chair, Public Administration and Constitutional Affairs Committee
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14 May 2021

Dear William,

Thank you for your letter of 27 April following my appearance at the Committee on 26 April, and for our subsequent conversation. I am grateful for the opportunity to provide further information on the subjects raised in your letter.

Your letter asked a number of questions which I address in turn below:

Appointments of unpaid advisers and secondments

In general terms, HM Government Ministers have access to three types of support:

Civil servants, including temporary civil servants (or Special Advisers); *public office holders*, such as public appointees (to statutory or non-statutory office), non-executive departmental board members or individuals appointed to short-term, non-statutory roles to provide advice or undertake a review; and, *contractors or procurement of consultancy services*.

The appointment of civil servants, governed by the Constitutional Reform and Governance Act 2010, is subject to external regulation by the Civil Service Commission. Those seconded to HM Government are treated as civil servants. Secondments are managed in departments in line with a model secondments policy which is owned centrally by the Cabinet Office. Any inward secondments must be conducted in line with the Recruitment Principles, and

individuals will need to have undergone pre-appointment checks in the same way as a permanent new starter.

As set out in the Civil Service Management Code, the terms of a secondment are a matter for negotiation between the home organisation, the host department and the individual. As part of this a consideration of actual, potential and perceived conflicts of interest is necessary, as well as arrangements for return to the seconding organisation. A secondment should always be underpinned by a written agreement and should state that the secondee must not do any work for their employer during the secondment as well as any arrangement to manage potential conflicts, including when the secondment ends. Inward secondees must also be made aware that they are subject to the Official Secrets Act and are also required to observe the Civil Service and departmental rules on conduct, confidentiality and security. The agreement should set out the required actions if any potential conflict of interest arises, including the possibility of the secondment being terminated.

Secondments and interchange schemes are currently used to good effect across HM Government, allowing us to develop capability and to build and share specialist skills. We have recently established a new central secondments unit which will ensure that interchange models are underpinned by robust policies and guidance, building on that which is already in place.

Because secondments are managed and recorded at a departmental level I am not able to provide a single figure across the Civil Service. I can confirm that at Director General level there are currently two Directors General seconded into the Civil Service (the Director General of the Vaccine Programme at DHSC, and the Director General for Financial Services at HM Treasury). There are no secondees at Permanent Secretary level. I have asked Civil Service HR to collate the total number of Directors and Deputy Directors seconded into the Civil Service and to write to you with that information in due course.

Under the second category of public office holders, many ‘champion’ and ‘envoy’ roles will be unpaid. It has been the practice of successive administrations for Ministers to appoint a range of advisers, ‘tsars’ and champions to undertake specific reviews or highlight a particular policy initiative. These individuals may be paid or unpaid and are bound by the Seven Principles of Public Life, as well as any relevant provisions of the Code of Conduct for Board Members of Public Bodies. They should have clear terms of reference agreed with the appointing Minister. On appointment a proper consideration of their declaration of interests should be undertaken by the appointing department, considering the remit of the role and any outside interests. Typically, any such appointment would be governed by an engagement letter setting out the role and functions, accountability arrangements, and the steps that should be taken to avoid any conflicts of interest. Because they are the

responsibility of appointing Ministers, the Government does not hold central information about the number of such roles in operation. However, departments obviously have a responsibility to keep their own records about such appointments, and indeed it is important that they do so given the role that such office holders play in public life. The Cabinet Office is working with departments to ensure these records are up to date.

Appointment for Mr Greensill

One of the tasks of the ongoing Boardman Review is to examine what status Lex Greensill held within HM Government and what arrangements governed his appointment. Relevant searches for information are ongoing and I would not wish to provide an incomplete picture to the Committee. Once the review has concluded, Ministers will provide the Committee with his findings.

I would like to clarify the points made by Darren Tierney and I on the appointment of Mr Greensill to the Cabinet Office. Since we gave evidence to the Committee, we have seen signed appointment letters that cover the period from April 2012 to March 2014. As Darren Tierney said to the Committee, the letter of appointment did contain provisions about Mr Greensill's conflicts of interest and duties on him regarding conduct, propriety and confidentiality. Given Nigel Boardman's review is ongoing, I am unable to publish copies of those letters, but I would be happy to work with the Committee Clerk to discuss arrangements for providing copies privately. However, my initial assessment of these letters suggests to me that some form of contract was in place whilst he was working for the Cabinet Office. I expect Nigel Boardman will want to comment further on the exact nature of this arrangement once he has considered the totality of the evidence he has received.

Ministers' Interests

You asked about two specific cases where it is suggested there is an apparent conflict of interest. The Ministerial Code sets out the process by which Ministers should declare and manage potential conflicts of interest. As set out in the Code, it is the personal responsibility of each Minister to decide whether and what action is needed to avoid a conflict or the perception of a conflict, taking account of advice received from their Permanent Secretary and the Independent Adviser on Ministers' Interests.

The Independent Adviser is currently preparing the next List of Ministers Interests for publication. I understand that he has indicated to the Committee that he anticipates that this will be published before the end of the month and this will of course cover the declarations regarding the two Ministers that were asked about.

Unauthorised disclosures of information

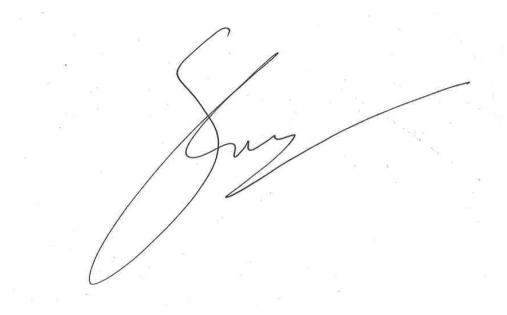
In relation to the leak inquiry that was discussed at the hearing, we have since provided you with a confidential briefing on this, and I expect the inquiry to conclude in the coming weeks at which point Parliament will be updated.

Refurbishment of the Prime Minister's downing street residence

As you will be aware, the Prime Minister has appointed Lord Geidt as the new Independent Adviser on Ministers' Interests. The Prime Minister and Lord Geidt have agreed that Lord Geidt will begin by ascertaining the facts surrounding the refurbishment of the Downing Street flat and providing advice to the Prime Minister. Following on from our recent briefing, in which I updated you on the progress of my internal enquiries into the arrangements around the renovation of the Prime Minister's Downing Street residence, I can add that I will shortly be providing Lord Geidt with the facts, as I have established them, to support his work.

As I believe Lord Geidt confirmed to the Committee during his evidence session yesterday, I understand that he is undertaking this work to the same timetable as the publication of the List of Ministers' Interests and that his advice will be set out publicly by the end of the month.

I hope this helps to address your points. Thank you, once again, for the valuable work your Committee is undertaking.

A handwritten signature in black ink, appearing to read 'Simon Case', is centered on the page. The signature is fluid and cursive, with a large loop at the end.

SIMON CASE



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27th April 2021

Dear Simon,

Propriety and Ethics in Government

Thank you for giving evidence to the Committee on 26th April. The Committee appreciates that you will often be constrained on what you can say on particular issues, such as where there are ongoing inquiries, but my colleagues were frustrated yesterday by the number of times that you said you were not able to answer questions, or that you did know the detail of particular issues. I hope that you will be able to update the Committee on some of the points raised within days, rather than weeks or months.

Following your appearance, you agreed that to write with further information on the following issues:

- The findings of your review into the funding of the refurbishment of the Prime Minister's Downing Street residence and, in particular, the source of any external funds used, the mechanism by which they were used, and whether this was the appropriate disclosure requirements have been complied with. I understand that this work is ongoing but it would be very helpful to receive the timeline for your review as soon as possible;
- The letters of appointment for Lex Greensill that you referred to in your evidence (and any others, or contracts, that are discovered during the course of the Boardman inquiry);
- Whether there are people working as unpaid advisors in government or who are paid by other companies or organisations – such as secondees from outside the Civil Service – and, if so, how many, who they are, what their roles are, and what terms and conditions or codes of conduct are they bound by; and
- Further information about how the apparent conflicts of interest created by the interest that Lord Agnew, Minister of State in the Cabinet Office, and Matt Hancock, Secretary of State for Health and Social Care, have in companies that benefit from spending decisions of their departments are being mitigated.

The Committee would also appreciate any updates on the issues covered yesterday, including whether you have been able to brief the Speaker on the further points that have emerged around Greensill and the other propriety issues. I would appreciate your response to this letter by 10 May, but I would be grateful for you to respond by the end of this week on the timetable for your report to the Prime Minister.

Yours ever,

A handwritten signature in black ink, appearing to read 'William', followed by a small horizontal line.

William Wragg MP
Chair, Public Administration and Constitutional Affairs Committee