



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

G/5 Ground Floor, 1 Horse Guards Road SW1A 2HQ

Telephone: 020 7271 0842

Email: acoba@acoba.gsi.gov.uk

Website: <http://acoba.independent.gov.uk>

6 February 2013

Ref: 1213/05M

THE RT HON THE LORD SASSOON

The Advisory Committee on Business Appointments has received an approach from Lord Sassoon, the former Commercial Secretary to the Treasury, for advice about accepting a part-time, unpaid appointment as a member of the Committee for the Hong Kong Association (HKA).

Lord Sassoon was the Commercial Secretary to the Treasury between May 2010 and 2 January 2013 (his last day in ministerial office). His portfolio included financial services and business matters. Prior to joining Government, Lord Sassoon had a long career in the financial sector and served in various roles at the Treasury from 2002 to 2008, after which he advised David Cameron on financial issues.

Earlier application

In November 2012, Lord Sassoon approached the Committee to seek advice on accepting a full-time appointment with Matheson & Co, the Directorships include Jardine of Matheson Holdings, Hong Kong Land Holdings, Mandarin Oriental and Dairy Farm & Co Ltd. Following a meeting with the Committee, this was approved on the basis that he would not draw on privileged information and subject to the following conditions:

- for three months from his last day in office, his activities on behalf of his new employer are strictly limited to matters directly concerning the company's interests in Asia, and that he should have no involvement in its UK business or operation;
- for 12 months from the same date, he should not provide advice to his new employer, or any subsidiary of the Jardine Matheson Group, on the terms of any bid or contract directly relating to HM Treasury; and
- for two years from the same date, he should not become personally involved in lobbying the UK Government on behalf of his new employer or any subsidiary of the Jardine Matheson Group.

The HKA application flows directly from his position at Jardine Matheson Group, he has confirmed that separate directorship he currently holds with parts of Jardine Matheson Group are:

- Jardine Matheson Holdings Ltd,
- Matheson and Co Ltd,
- Matheson Dairy Farm International Holdings Limited,
- Mandarin Oriental International Limited,
- Hong Kong Land Holdings Limited.

HKA

The HKA is a company limited by guarantee. Its mission is to act as a champion in the UK of the links between Hong Kong and the UK, in particular with regard to business and bilateral trade. The HKA includes most of the principal British companies investing and doing business in Hong Kong, as well as leading Hong Kong companies active in the United Kingdom. The HKA's main activities, in support of its mission, are to host events for its members at which speakers include members of the UK Government and civil service, and of the Hong Kong administration, business people involved with Hong Kong, economists and academics.

The Committee directs the work of the HKA. It is chaired by Baroness Dunn and includes senior executives of businesses such as HSBC, Standard Chartered, Jardines, Swires and Hutchison Whampoa.

On its website it says "The association devotes particular effort to making sure that the business point of view is properly understood and given full weight; its policy is to cultivate contacts with ministers and the principal departments of both governments, as well as with other organisations such as the UK-China All-Party Parliamentary Group." It says that the Committee "arranges regular lunches with politicians, civil servants, businessmen and the media, at which matters affecting Hong Kong are discussed informally."

Lord Sassoon confirms that the HKA interacts with the UK, Hong Kong and Chinese administrations but is not involved in lobbying for specific business. It works to foster the understanding of issues and links between organisations and business people in the UK and Hong Kong.

Lord Sassoon has received a firm appointment offer for the post as a Member of the Committee, working three days per year. He did not apply for the post – following the announcement of his appointment to the Board of Jardine Matheson, Lord Sassoon received an invitation from Baroness Dunn to join the Committee.

Lord Sassoon states that he has had official dealings with HKA albeit in the broadest sense. He was involved in the whole range of business policy matters and in inter-Government meetings with many countries, including China and Hong Kong. As Commercial Secretary, the HKA was one of the many organisations that asked him to speak to them, which he did at a lunch in May 2011. He is not aware of any relationship between his prospective employer and his former department and he has not had any dealings with any of his prospective employer's competitors.

HMT's views

The Permanent Secretary, Nick Macpherson, has confirmed that he is happy with the appointment given that it is unpaid. He confirms that the usual requirement that he should not lobby Government should apply.

Analysis and recommendation

Given Lord Sassoon's position and wide ranging portfolio in Government, and in order to prevent him from exploiting any contacts or any information that could give his employer or their clients an unfair advantage, it would seem appropriate to attach similar conditions to this appointment as were attached to his appointment with Matheson & Co, even though this appointment is unpaid.

I should be grateful to know if you would be content for the Committee to advise the Minister that, noting that he will not be taking up the post until 2 April 2013, his application to accept the post is approved subject to the following conditions:

- that he should not draw on any privileged information available to him as a Minister;
- for 12 months from his last day in ministerial office, he should not provide advice to his new employer, or any clients, on the terms of any bid or contract directly relating to HM Treasury; and
- for two years from his last day in ministerial office, he should not become personally involved in lobbying the UK Government on behalf of his new employer or its clients.

DEAN PONDER