

Cabinet Office

3 November 2025

Paid appointment with London and Valley Water: Application under the Business Appointment Rules from Dame Bernadette Kelly DCB, former Permanent Secretary at the Department for Transport.

Thank you for submitting an application for advice under the Business Appointment Rules¹ (the Rules) to the Civil Service Commission (the Commission) on behalf of **Dame Bernadette Kelly DCB**, formerly Permanent Secretary at the Department for Transport (DfT). The application is for a paid role as an advisor to **London and Valley Water**. Further detail on the content of the application is in the Annex. The Commission's advice is required as Dame Bernadette is a former civil servant at SCS Pay Band 4. Her last day of service was 13 June 2025.

The purpose of the Rules is to protect the integrity of the government. They aim to avoid any reasonable concerns that: a crown servant may be influenced in their official duties by the risk of reward; a former crown servant may improperly exploit access to information; and an organisation may gain an improper influence through the employment of a crown servant.

The Commission's advice is that the appointment should be made subject to the following conditions:

1. Dame Bernadette should observe a waiting period of three months from her last day in the civil service. This concluded on 13 September 2025.
2. Dame Bernadette should not draw on (disclose or use for the benefit of herself or the persons or organisations to which this advice refers) any privileged information² available to her from her time in civil service.
3. For two years from her last day in the civil service, until 13 June 2027, Dame Bernadette should not become personally involved in lobbying³ the UK government or its arm's length bodies on behalf of London and Valley Water (including parent companies, subsidiaries, partners and clients); nor should Dame Bernadette make use, directly or indirectly, of her contacts in the government and/or civil service to influence policy, secure business/funding or

¹ See the [Business appointment rules for Crown servants](#).

² Meaning official information to which a Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available.

³ As defined in the rules.

**Baroness Stuart of Edgbaston
First Civil Service Commissioner
Civil Service Commission**

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otherwise unfairly advantage London and Valley Water (including parent companies, subsidiaries, partners and clients).

4. For two years from her last day in civil service, until 13 June 2027, Dame Bernadette should not provide advice to London and Valley Water on the terms of, or with regard to the subject matter of, a bid or contract with, or relating directly to the work of, the UK government or its arm's length bodies.

Dame Bernadette has confirmed to the Commission her intention to fully comply with the lobbying ban that applies to her. London and Valley Water also confirmed Dame Bernadette's role would comply with the conditions imposed.

The Rules set out that civil servants must abide by the Commission's advice. It is Dame Bernadette's personal responsibility to manage the propriety of any appointment and to understand any other rules and regulations they may be subject to in parallel with the Commission's advice.

Dame Bernadette must inform the Commission as soon as she takes up this work or if it is announced that she will do so. Similarly, Dame Bernadette must seek advice if she proposes to extend or otherwise change her role with the organisation. Once this appointment has been publicly announced or taken up, the advice letter will be published on the Civil Service Commission's website.

Yours sincerely,

A handwritten signature in black ink that reads "Gisela Stuart".

Gisela Stuart
First Civil Service Commissioner

Annex A: The application

Applicant assessment

1. Dame Bernadette said she will be acting as an advisor to London and Valley Water, the current investors and consortium of creditors of Thames Water, who are proposing a restructure and recapitalisation of the company.
2. Dame Bernadette's responsibilities will include promoting the company's interests, monitoring performance, contributing to strategy development, evaluating options for long-term health and acting as a sounding board for executives. Dame Bernadette has stated that she does not expect to have dealings with the Department for Transport (DfT).
3. London and Valley Water was incorporated as a private limited company on 25 July 2025, after Dame Bernadette left her role at DfT.

Departmental assessment

4. DfT was consulted on the applicant and department's relationship with London and Valley Water, and also Thames Water.
5. As Permanent Secretary, Dame Bernadette would have been exposed to a wide range of information, though the department did not highlight anything specific that presents a concern. DfT did note that she was the Accounting Officer when a small contract was awarded to Thames Water by the department, which may have exposed her to commercial information.
6. DfT confirmed that Dame Bernadette did not make any regulatory or policy decisions that would have affected London and Valley Water or Thames Water. It is unlikely that Dame Bernadette was involved in the procurement of the contract referenced above.
7. DfT stated that while Dame Bernadette was likely to have been exposed to a wide range of information, it was unlikely that the majority of this information would help the prospective employer gain a competitive advantage. DfT did not highlight any specific information that would be a concern.
8. DfT's recommendation was for standard conditions.

CSC analysis

9. *Risk of reward.* There is a limited overlap between Dame Bernadette's previous DfT role and London and Valley Water. As Principal Accounting Officer of DfT, Dame Bernadette was responsible for the broad expenditure of the department. DfT

awarded a contract to Thames Water during her time in post, though the department said it was unlikely Dame Bernadette was involved in procurement and noted that this was over four years ago. The Commission agreed with the department's view that the risk that she was offered this role as a reward for decisions or actions taken in office was low.

10. *Access to information.* It is likely that as Permanent Secretary, Dame Bernadette had access to a wide range of information that may benefit any company, including London and Valley Water. This risk is mitigated by the standard waiting period. DfT was unaware of any sensitive information she may possess that presents a risk. Most relevant policy areas of interest to London and Valley Water are held by the Department for Environment, Food and Rural Affairs and so were separate from the applicant's remit.
11. *Improper influence.* There are risks associated with a former senior civil servant joining a commercial organisation that undoubtedly seeks to influence government. Dame Bernadette said that although she would not lobby the government, she expects to attend events on behalf of London and Valley Water at which officials and/or ministers may be present, and to advise the Chair and Chief Executive on how best to manage their dealings with government and regulators. The lobbying ban that applies to all former senior officials for two years on leaving office does not prevent all contact with government. However, in this role she must not directly, or indirectly, lobby the government for changes to policy, contracts or funding, as to do so would risk granting London and Valley Water an unfair advantage. It is also significant that the Chair designate of London and Valley Water confirmed Dame Bernadette's role would comply with the conditions imposed.