

# Zahawi sits on Tory leadership fence ahead of Mansion House address

Nadhim Zahawi, the chancellor, has been advised by civil servants not to declare his formal backing for any of the Conservative Party leadership candidates in order to preserve his place at this week's Mansion House dinner.

Sky News has learnt that Mr Zahawi was told several days ago that his neutrality after his own exit from the contest was essential ahead of Tuesday night's showpiece event.

It was unclear on Monday whether Mr Zahawi intended to declare his support for one of the remaining contenders after his Mansion House address, which outside of budget statements is one of the most significant delivered by a chancellor each year.

The [candidates will be whittled down to four on Monday evening](#), with just two left before the end of the week.

One insider said the chancellor "fully respected" the advice of the civil service to remain neutral until after Tuesday night.

## Advertisement

Mr Zahawi told Sky News presenter Kay Burley last week that Rishi Sunak, his predecessor as chancellor, would make "a great PM", although that was before his own elimination and it was unclear whether he would formally back Mr Sunak.

Sky News revealed several days ago that the Mansion House event itself was in doubt while Mr Zahawi remained in the leadership mix.

## More from Business



Interest rates could top 2% in the next year, Bank of England policymaker says



More than 40,000 BT workers to begin strike action at the end of July, union says



Union calls for maximum workplace temperature in UK amid red warning for extreme heat

Tom Scholar, the Treasury's permanent secretary, had held discussions with Cabinet Office officials about whether the chancellor would have an unfair advantage by speaking at the dinner.

The Mansion House dinner, to which hundreds of senior financiers, business leaders and government officials are invited, is one of the City's key set-piece events.

The governor of the Bank of England and Lord Mayor of the City of London also make keynote addresses, with the former often making significant policy announcements.

The Treasury declined to comment.