



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

G/7 Ground Floor, 1 Horse Guards Road SW1A 2HQ

Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk

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

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1. You approached the Committee seeking advice on taking up an appointment with Tech Nation.

The Committee's role and remit

2. As you will be aware, it is the Committee's role to advise on the conditions that should apply to appointments or employment under the Government's Business Appointments Rules for Former Ministers (the Rules), which apply to former Ministers for two years after they leave office. The Rules seek to counter suspicion that:

- the decisions and statements of a serving Minister might be influenced by the hope or expectation of future employment with a particular firm or organisation; or
- an employer could make improper use of official information to which a former Minister has had access; or
- there may be cause for concern about the appointment in some other particular respect.

3. When the Committee considers applications it must have in mind that Government has judged that it is in the public interest that former Ministers with experience in Government should be able to move into business or into other areas of public life, and to be able to start a new career or resume a former one. It is equally important that when a former Minister takes up a particular appointment or employment, there should be no cause for any suspicion of impropriety.

4. It is not the Committee's role to pass judgment on whether an appointment is appropriate or suitable in any other regard.

The application

5. You seek to join Tech Nation as a Non-Executive Director. This is a paid part-time role.

6. Tech Nation (formerly Tech City) is a tech consultancy established in 2011 with an aim to support tech start ups. You described it as *'a company whose primary focus is to fuel the growth of game-changing founders, leaders and scaling companies so they can positively transform societies, economies and outcomes.'* Its website states it is a

management consultancy which provides a number of different services such as a Digital Business Academy, advice on Fintech and helps companies improve their digital and IT capacities with a focus on start-ups and entrepreneurs.

7. It states on its website that for 2019-20 it received £7.1m from the Department for Digital, Culture, Media and Sport (DCMS). This represents roughly 80% of its overall funding. DCMS announced in 2017 that Tech City UK and Tech North were to become a national organisation, Tech Nation, *'to speed up the growth of the UK's pioneering and innovative digital companies and clusters, helping spread the benefits even further.'* DCMS announced £21 million of funding over 4 years, stating it would create a new national network of regional tech hubs in areas across the country, including Belfast, Cardiff, Edinburgh and Birmingham. It said the funding would *'...help entrepreneurs in emerging tech sectors, such as Artificial Intelligence (AI) and Fintech, by connecting them to peers and potential investors in other hubs across the country and by offering tailored development programmes.'* DCMS also noted that successful companies which have benefited from Tech City UK's work included Just Eat, Zoopla and Funding Circle.

8. More recently, in November 2019, the MOJ awarded a £2 million contract to Tech Nation to support the digital transformation of the UK legal sector. The MOJ said this would help to deliver the aims and objectives of the Lawtech Delivery Panel, a Government backed body.

9. You stated you wish to take on the role of a Non-executive Director; and that you do not expect this role to include contact with the UK Government.

10. You informed the Committee you neither met, nor made any commercial or contractual decisions affecting Tech Nation while in office. Nor did you have any involvement in policy development or decisions. You also said you did not meet with competitors, nor did you have access to sensitive information on these competitors.

11. The Department for Education (DfE) and the Department for Business, Energy and Industrial Strategy (BEIS) were contacted regarding your application. BEIS confirmed it had no record of you meeting with the company and had nothing else to add and no concerns with the appointments. The DfE stated it had no concerns or conflicts to report on the appointment.

The Committee's consideration

13. The Committee took into account that you and your former departments confirmed you did not meet with, or have any official involvement with Tech Nation while in office. Neither department had any information to indicate you were involved in the awarding of funding or contracts to the company, and the funding the company does receive is from DCMS rather than your previous departments. The Committee therefore considered the risk you were offered the role for decisions made in office is low.

14. When considering your application, the Committee noted that as Minister responsible for research, innovation and science there is an inherent risk you would have general access to sensitive information that could provide an unfair advantage to a company such as Tech

Nation. However, the Committee noted the time that has passed since you have access to potentially sensitive information and that the Departments raised no concerns. Further you are prevented from making any use of privileged information as a former Minister, and as advised below.

15. The Committee considered that you will have developed contacts from office which may provide an unfair advantage to a company operating in the technology sector. The Committee noted that you will not have contact with Government though it would nevertheless draw your attention to the lobbying condition which prevents you from being personally involved in lobbying the UK Government or its Arms' Length Bodies on behalf of Tech Nation.

16. Given the largely Government funded nature of Tech Nation, the Committee considered you could offer an unfair advantage by assisting in the future procurement of funding or contracts using your Government network or knowledge of contract tendering. The conditions imposed below prevent you from providing advice on contracts and bids for any work with the UK Government or its Arms' Length Bodies.

17. Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with **Tech Nation** be subject to the following conditions:

- you should not draw on (disclose or use for the benefit of yourself or the persons or organisations to which this advice refers) any privileged information available to you from your time in Ministerial office;
- for two years from your last day in Ministerial office, you should not become personally involved in lobbying the UK Government or its Arms' Length Bodies on behalf of Tech Nation (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the Government and/or Ministerial contacts to influence policy, secure business/funding or otherwise unfairly advantage Tech Nation (including parent companies, subsidiaries, partners and clients); and
- for two years from your last day in Ministerial office you should not undertake any work with Tech Nation (including parent companies, subsidiaries, partners and clients) that involves providing advice on the terms of, or with regard to the subject matter of a bid with, or contract relating directly to the work of, the UK Government or its Arms' Length Bodies

18. By 'privileged information' we mean official information to which a Minister or Crown servant has had access as a consequence of his or her office or employment and which has not been made publicly available. Applicants are also reminded that they may be subject to other duties of confidentiality, whether under the Official Secrets Act or otherwise.

19. The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant/Minister "*should not engage in communication with Government (Ministers, civil servants, including special advisers, and other relevant officials/public office holders) – wherever it takes place - with a view to influencing a Government decision, policy or contract award/grant in relation to their own interests or the interests of the organisation by which they are employed, or to whom they are contracted or with which they hold office.*"

20. We should be grateful if you would inform us as soon as you take up this appointment, or if it is announced that you will do so, either by returning the enclosed form or by emailing the office at the above address. We shall otherwise not be able to deal with any

enquiries, since we do not release information about appointments that have not been taken up or announced. This could lead to a false assumption being made about whether you had complied with the Ministerial Code. Similarly, I should be grateful if you would inform us if you propose to extend or otherwise change your role with the organisation as depending on the circumstances, it might be necessary for you to seek fresh advice.

21. Once this appointment has been publicly announced or taken up, we will publish this letter on the Committee's website and in the relevant next annual report.

The Rt Hon Lord Pickles

Rt Hon Jo Johnson