



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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July 2020

BUSINESS APPOINTMENT APPLICATION: Lord Ian Duncan of Springbank

1. The Committee has considered your application to work with Terrestrial Energy as a member of its advisory board.
2. Your last day in office was 13 February 2020.

The Committee's role and remit

3. It is the Committee's role to advise on any 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.
4. The Rules seek to counter suspicion that:
 - a) 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
 - b) an employer could make improper use of official information to which a former Minister has had access; or
 - c) there may be cause for concern about the appointment in some other particular respect.
5. 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.
6. It is not the Committee's role to pass judgment on whether an appointment is appropriate or suitable in any other regard.

Appointment Details

7. You sought the Committee's advice on taking up a paid, part time role at Terrestrial Energy as a member of its advisory board. You were introduced to the company following an informal discussion with a colleague in the House of Lords.
8. Terrestrial Energy is a Canadian technology company which describes itself as focussed on delivering reliable, emission-free, and cost-competitive nuclear energy with an innovative advanced reactor design, called 'the Integral Molten Salt Reactor' (IMSR). It has an affiliate company, Terrestrial Energy USA is developing the technology for the US market. Terrestrial Energy is seeking to generate electricity using Generation IV technology, which in the UK *will be* subject to regulation by BEIS however these have not yet been settled on.
9. You stated that the board meets quarterly and that you will advise on the EU, UK and Scottish regulatory landscape as it pertains to nuclear power generation in general, and Generation IV technology in particular.
10. You informed the Committee you had no contact with Terrestrial Energy during your time in office and had no involvement in policy decisions or development during your time in office that would have impacted Terrestrial Energy. You also stated you did not make any commercial or contractual decisions that would have affected Terrestrial Energy.
11. Northern Ireland Office (NIO), Scottish Office (SO) and the Department for Business Energy and Industrial Strategy (BEIS) were contacted about this application confirming the details you provided. Each stated it had no further concerns regarding this appointment. BEIS noted that the regulatory framework in the UK currently would not permit electricity Generation IV Nuclear Technology as it is not explicitly covered by the development consent enabling policies in the nuclear National Policy Statement.

The Committee's consideration

12. The Committee¹ noted that this appointment is in a similar area to your ministerial role. However as you had no dealings with the organisation whilst in office and did not make any contractual, policy or regulatory decisions that would have affected Terrestrial Energy it could see no reason it might be perceived this appointment is a reward for decisions or actions taken in office.
13. The Committee also noted that as a former Under Secretary of State at BEIS you may have had access to policy and regulatory information that could be perceived to benefit an organisation like Terrestrial Energy, given they have an interest in Generation IV Nuclear power generation in the UK. However, the departments confirmed you have not had access to information or involvement with any specific policy or regulations that would risk you offering an unfair advantage to Terrestrial Energy. Therefore, the risks associated with your access to sensitive information is low. However, the Committee would still draw your attention to the ban on using privileged information, particularly with regard to offering Terrestrial Energy advice on the nuclear regulatory matters from your time in office.
14. The Committee considered there is a risk with regards to your access to your Ministerial network, and the influence you may wield through this particularly given Terrestrial Energy has an interest in the areas that you worked in as a Minister. The

¹ This application for advice was considered by Sir Alex Allan; Jonathan Baume; The Rt Hon Lord Pickles; Richard Thomas; M ke Weir; Lord Larry Whitty; Dr Susan Liautaud and John Wood

lobbying ban below however prevents you from offering an unfair advantage to TE by giving them undue access to government figures. The ban on bids and contracts will also prevent you from assisting in the procurement of any Government work.

15. Further, the restriction below on providing advice on the terms of a bid or contract relating directly to the work of the UK Government prevents you from providing an unfair advantage to Terrestrial Energy in respect of any future bid for funding from the UK Government as a result of your time in office as a Minister.
16. In accordance with the Government's Business Appointment Rules, the Committee advises this appointment 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 as a Minister; and
 - for two years from your last day in Ministerial office, you should not become personally involved in lobbying the UK Government on behalf of Terrestrial Energy (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the Government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Terrestrial Energy (including parent companies, subsidiaries, partners and clients); and
 - for two years from your last day in office you should not advise Terrestrial Energy or its partners or clients on the terms of a bid or contract with, or relating directly to the work of the UK Government or its arm's length bodies.
17. The Committee also notes that in addition to the conditions imposed on this appointment, there are separate rules in place with regard to your role in the House of Lords.
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, the Civil Service Code 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. I would be grateful if you would ensure that we are informed as soon as you take up your role or Terrestrial Energy announces it. We shall otherwise not be able to deal with any enquiries, since we do not release information about appointments which have not been taken up or announced, and this could lead to a false assumption being made about whether he had complied with the rules.
21. Once you have taken up your role/it has been announced we will publish this letter on the Committee's website and in the relevant annual report.

The Rt Hon the Lord Duncan of Springbank

The Rt Hon the Lord Pickles