



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: MR NICHOLAS CHISM

1. The Committee has been asked to consider an application from Mr Nicholas Chism, to join the International Project Finance Association (IPFA) as Non-Executive Chair.

2. Mr Chism was Chief Business Adviser at the Department for Business, Energy and Industrial Strategy (BEIS) (May 2019 to February 2020) and prior to that Director General, Enterprise at BEIS (June 2018 and May 2019). Mr Chism's last day in office was 5 Feb 2020.

Appointment Details

3. Mr Chism applied for this advertised role as Non-executive Chair. He said IPFA is the global professional association for public & private sector organisations involved in infrastructure and energy project financing. He said IPFA is a not for profit membership based organisation. The website states it is '*...funded and guided by our members, which include the industry's leading investors, lenders, advisors, developers, sponsors and government institutions active in infrastructure and energy markets around the world*'. The website also said it connected and represented its members and key constituencies with the aim of '*...contributing to driving continuous progress for the benefit of the industry in every sector and region*'. A number of governmental departments are members of IPFA including, Department for Transport and Ofgem.

4. Mr Chism said the role of Chair is a non-executive position. He described some of his responsibilities as a Non-executive Chair as:

- Provide leadership to the Board of Directors and enable the Board to fulfil their responsibilities for the overall governance and strategic direction of the association
- Ensure the sound financial health of the association
- Work in partnership with the CEO to ensure implementation of the Board's strategy and policies. Review these when appropriate and enhance strategic direction through supporting continuous improvement.

- Foster productive working relationships and encourage active engagement with all Board and Branch Councils to assess the value proposition / service offering which is being delivered both globally and regionally
- Manage non-executive director succession planning, in accordance with the process agreed by the Board
- Engage with wider stakeholder groups and participate in appropriate discussions with policy makers and opinion formers
- Engage and assist in the strategic direction of IPFA Training

5. Mr Chism stated his role will involve contact with the Government. He said IPFA does not engage in lobbying activity, but IPFA's membership spans across the public and private sectors, including several UK Government departments. Mr Chism said departments have free membership and may therefore participate in panels, roundtables, training and other events. Government speakers will occasionally use IPFA as a platform to share knowledge and ideas with peers and the industry.

6. Mr Chism stated that he did not have any official dealings with IPFA while in post; nor did he have official dealings with or access to commercially sensitive information on their competitors. He further said he was not involved in awarding contracts or funding to IPFA.

7. The Permanent Secretary of BEIS countersigned this application. The Department confirmed the details Mr Chism provided above. It added that Mr Chism had no access to recent policy development in his area of expertise- given the significant change in the policy landscape since he left office in early February 2020. The Department informed the Committee it has no formal relationship with IPFA but stated it is listed as being a member on the IPFA website. It confirmed this is a free service offered to Government Departments enabling them to join in round tables, training and other events.

8. The Department has no concerns with this appointment but stated his interaction with the UK Government should only be related to the work of the IPFA on matters aligned with government policy.

The Committee's Consideration

9. The Committee¹ noted that Mr Chism did not have any involvement in the awarding of contracts or funding decisions in relation to IPFA and that the Department has no concerns about his involvement in any policy decisions whilst in office. Therefore, the risk that this may be seen as a reward for actions taken whilst in office is low.

10. The Committee noted that there is a risk that, given Mr Chism's time at BEIS he may have had access to information about unannounced policy and information about business that could be seen to benefit IPFA. However, the Committee noted the Department's comments that the information Mr Chism would have had access to is less relevant now given the time that has passed since his last day in office and the significant change to the policy landscape. The Committee would still draw Mr Chism's attention to the privileged information condition below, which prevents him from sharing any sensitive information he may have had access to from his time in Government.

¹ This application for advice was considered by Jonathan Baume; The Rt Hon Lord Eric Pickles; Richard Thomas and Lord Larry Whitty. Dr Susan Liautaud was unavailable.

11. The Committee also noted Mr Chism's contacts within BEIS may be seen to benefit IPFA. It considered his plans to have contact with the Government and whether this would be appropriate. The Committee noted the Department had no concerns about Mr Chism's contact as it was described in his application and this stakeholder relationship between government and IPFA already exists. Therefore, the Committee considered that contact as described would not be improper where it is at the request of government. However the Committee would draw his attention to the conditions below, and in particular note that it would be improper for him to use his contacts to unfairly influence the UK Government on policy decisions or development.

12. Under the Government's Business Appointment Rules, the Prime Minister has accepted the Committee's advice that Mr Chism's work with **The International Project Finance Association** should be subject to the following conditions:

- He should not draw on (disclose or use for the benefit of himself or the persons or organisations to which this advice refers) any privileged information available to him as a Crown servant;
- for two years from his last day in office, he should not become personally involved in lobbying the UK Government or its Arms' Length Bodies on behalf of The International Project Finance Association (including members, parent companies, subsidiaries, partners and clients). This would not prevent him from having discussions with the UK Government and its Arm's Length Bodies more widely should he be invited to do so by the government. However, it would prevent him on making use, directly or indirectly, of his government and/or contacts to influence policy, secure funding/business or otherwise unfairly benefit the The International Project Finance Association (including members, parent companies, subsidiaries, partners and clients);
- for two years from his last day in office he should not advise the The International Project Finance Association (including members, parent companies, subsidiaries, partners and clients) on the terms or subject matter of a bid or contract with, or relating directly to the work of, the UK Government or its arm's length bodies.

13. 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.

14. 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.*"

15. I should be grateful if you would inform us as soon as Mr Chism takes up employment with this organisation, or if it is announced that he 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 he has complied with the Rules.

16. Please also inform us if Mr Chism proposes to extend or otherwise change the nature of his role as, depending on the circumstances, it may be necessary for him to make a fresh application.

17. Once the appointment has been publicly announced or taken up, we will publish this letter on the Committee's website, and where appropriate, refer to it in the relevant annual report.

Yours sincerely

Isabella Wynn
Committee Secretariat