



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS
G/08 Ground Floor, 1 Horse Guards Road SW1A 2HQ
Telephone: 020 7271 0839
Email: acoba@acoba.gov.uk
Website: <http://acoba.independent.gov.uk>

July 2020

BUSINESS APPOINTMENT APPLICATION: MR NICHOLAS CHISM

1. The Committee has been asked to consider an application from Mr Nicholas Chism, to join Connected Places Catapult (CPC) as a Non-executive Director.
2. Mr Chism was Chief Business Adviser at 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. CPC is part of the UK Catapult network established by Innovate UK to foster new technologies through collaboration between the public and private sectors and academia. The CPC is focused on mobility and cities. Its website notes it has a focus on growing businesses with innovations in mobility services and the built environment that enable new levels of physical, digital and social connectedness.
4. The catapults are not-for-profit, independent technology and innovation centres. Innovate UK is a Government established innovation agency, part of the non-departmental public body UK Research and Innovation which is sponsored by BEIS.
5. Mr Chism described his responsibilities as a Non-executive Director as:
 - Aiming to bring an external, independent perspective, and advise/challenge the Board and executive of the company accordingly;
 - Contributing as a member of the board and directing CPC's strategic development
 - Scrutiny and monitoring of the CPC's performance
 - Advising on risk management and internal control frameworks
 - Assisting developing key relationships and communicating with industry, government, academia, sector bodies and other key stakeholders
 - Maintaining an awareness of local and national policy and how it impacts on the CPC's work

In further detailing his role Mr Chism stated that he would be required to build effective relationships with stakeholders, including the Government, and this is likely to include both BEIS and DfT.

6. Mr Chism stated his role is 2 days per month. He noted the work may involve meetings with relevant officials involved in the Industrial Strategy, the Grand Challenges or innovation policy generally.
7. Mr Chism stated that he had a brief meeting about the activities of CPC at CPC's Milton Keynes office after a meeting with a separate body. Other than this he had no official or contractual dealings with CPC, nor was he responsible for anyone who did. Mr Chism also confirmed he had no involvement in any policy that would have affected CPC's competitors and did not have access to any sensitive commercial information on them.
8. The Permanent Secretary of BEIS countersigned this application. The Department confirmed the details Mr Chism provided above. It added that Mr Chism had some interactions with Innovate UK, and had visited a High Value Manufacturing Catapult however he was not directly responsible for this area. The Department said 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 has no concerns.

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 CPC and that the Department has no concerns about his involvement in any policy development or decisions whilst in office 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 CPC. The Department's register of no concerns on either policy or information and its comfort with this appointment helps mitigate this. Additionally the organisation's proximity to the Government and the fact that it assists in the delivery of Government's objectives means the unfair advantage Mr Chism may be able to provide is reduced further. Further, as noted by the Department, the information Mr Chism would have had access to is likely somewhat less relevant now given the impact in BEIS policy and strategy as a result of the changes to the policy landscape as a result of the impact of the Covid-19 public health crisis. 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.
11. The Committee also noted Mr Chism's contacts within BEIS may be seen to benefit CPC. It considered his plans to have contact with the Government and whether this would be appropriate. The Department had no concerns about Mr Chism's contact as it was described in his application, provided it was subject to a condition which still limited its scope to areas in line with government policy. As the CPC is funded by an Arms' Length Body of BEIS (Innovate UK) and the nature of its work is helping to implement Government policy, CPC is already a government stakeholder. The Committee agreed that contact as described would not be improper where it is aligned to Government policy. However the Committee would draw his attention to the conditions below, and in particular note that it would be improper for him to use

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

his contacts to unfairly influence the UK Government on future bids and contracts for funding.

12. Under the Government's Business Appointment Rules, the Committee's advice to the Prime Minister is that Mr Chism's work with Connected Places Catapult should be subject to the following conditions:
 - Mr Chism 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 ; and
 - for two years from his last day in Ministerial office, he should not become personally involved in lobbying the UK Government or its Arms Length Bodies on behalf of the Connected Places Catapult (including parent companies, subsidiaries, partners and clients). This would not prevent him from having contact with the UK Government to discuss the work of the Connected Places Catapult in line with his duties as Non-executive Director. However, it would prevent him on making use, directly or indirectly, of his Government and/or Whitehall contacts to influence policy, secure funding/business or otherwise unfairly benefit the Connected Places Catapult (including parent companies, subsidiaries, partners and clients);
 - for two years from his last day in office he should not advise the Connected Places Catapult or its partners or clients 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.
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 your role as, depending on the circumstances, it may be necessary for you 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

Sam Lynch
Committee Secretariat