



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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**BUSINESS APPOINTMENT APPLICATION: Lt Gen Richard Nugee CB CVO CBE,
appointment with Remit Zero Limited**

1. Lt Gen Richard Nugee, former Climate Change and Sustainability Strategy Lead at the Finance and Military Capability, the Ministry of Defence (MOD), sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointments Rules for former Crown servants (the Rules) on taking up a role with Remit Zero Limited (Remit Zero) as a Non-Executive Director. The material information taken into consideration by the Committee is set out in the annex.
2. The purpose of the Rules is to protect the integrity of the government. Under the Rules, the Committee's remit is to consider the risks associated with the actions and decisions made during Lt Gen Nugee's time in office, alongside the information and influence he may offer Remit Zero, based on the information provided by him and his former department.
3. The Committee considered whether this appointment was unsuitable given there may be some overlap here with his most recent role in office and his ongoing access to information as a Non-Executive Director on the Defence Safety and Environment Committee (DSEC)¹, and as Chair for the Navy, Army and Air Force Institutes (NAAFI)². However, the Committee must also consider the information provided by the MOD about any potential conflict. The Committee has advised that a number of conditions be imposed to mitigate the potential risks to the government associated with this appointment under the Rules; this does not imply the Committee has taken a view on the appropriateness of this appointment in any other respect.

¹ <https://www.gov.uk/government/publications/defence-environment-and-safety-board-desb-assurance-reports>

² <https://naafi.co.uk/>

4. The Rules³ set out that Crown servants must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former Crown servants are expected to uphold the highest standards of propriety and act in accordance with the 7 Principles of Public Life.

The Committee's consideration of the risk presented

5. When considering this application, the Committee noted Remit Zero has an indirect contractual relationship with the MOD via a contract the department holds with Amey plc. Further, there are links between the MOD and Remit Zero given its Managing Director has previously carried out work for the Defence Infrastructure Organisation (DIO) at the MOD (via his role as Managing Director at another company, Low Carbon Estates Limited); and the MOD confirmed it is exploring a direct contract with Remit Zero. Whilst there is a closeness between the MOD and Remit Zero as a result of this, the department confirmed Lt Gen Nugee had no involvement in its discussions with Remit Zero and was not involved in contractual or commercial matters specifically, or more generally whilst he was in office. This did not fall within his responsibilities at the MOD and the department confirmed he did not make any decisions specific to the organisation whilst in office, and there is no evidence he made decisions in his role with the expectation of a role with Remit Zero. Therefore, there is no evidence that Lt Gen Nugee made decisions or took action in office in expectation of this role.
6. The Committee noted there is a general overlap with Lt Gen Nugee's time in office and the work of Remit Zero. The organisation focuses on sustainable energy, and his most recent role in office had a focus on sustainability and the environment; as does his ongoing role as Non-Executive Director on the DSEC. The Committee agreed with the MOD there are a number of mitigating factors that help to reduce the risks associated with Lt Gen Nugee's access to information and insight:
 - Remit Zero's focus is on the energy sector rather than specifically in defence;
 - he is prevented from drawing on privileged information and has an ongoing duty of confidentiality;
 - it has been 8 months since he led on this strategy at the MOD and much of this work on climate change and sustainability is set out publicly in the Ministry of Defence Climate Change and Sustainability Strategic Approach⁴;
 - his ongoing access to information at the MOD via the DSEC (and NAAFI) is limited; and
 - the MOD considered the risk associated with any access to ongoing information is low and can be mitigated.
7. The Committee took into account the time that has passed since Lt Gen Nugee left office and the other mitigating factors above. However, it considered there

³ Which apply by virtue of the Civil Service Management Code, The Code of Conduct for Special Advisers, The Queen's Regulations and the Diplomatic Service Code.

⁴ <https://www.gov.uk/government/publications/ministry-of-defence-climate-change-and-sustainability-strategic-approach>

could be a risk he may offer Remit Zero an unfair advantage, in particular should he:

- have any engagement with the UK government or the MOD on behalf of Remit Zero; or
- become involved in work Remit Zero is undertaking that relates to his responsibilities in office.

8. The Committee also considered that there is a risk associated with Lt Gen Nugee's influence and contacts in the area of climate change and sustainability - should his employer be seen to make improper use of this.

The Committee's advice

9. The Committee⁵ noted the mitigating factors above that help to reduce the risks associated with Lt Gen Nugee's access to information. There are standard conditions which prevent individuals from making improper use of privileged information and contacts gained in office, which are set out below and the Committee would draw his attention to these. The Committee agreed with the MOD it would be prudent to impose a condition which prevents him from working with Remit Zero on matters concerning the MOD's approach to climate change, sustainability, safety, and the environment, or any matters discussed at the DSEC. Further, the Committee considered this should extend to his other MOD-related role at NAAFI. This helps to mitigate any risk associated with Lt Gen Nugee's ongoing access to information as a Non-Executive Director on the DSEC and Chair at NAAFI.
10. There is a significant risk here should Lt Gen Nugee be involved or have influence over the current contractual negotiations with DIO - or any future contracts with the MOD. The Committee would draw his attention to the conditions below which would prevent him working on such matters, and would add that this includes any direct engagement with the MOD on behalf of Remit Zero. The Committee noted the MOD will further manage this potential conflict of interest by writing to Lt Gen Nugee. This will remind him of the risk of actual and perceived conflict of interest due to his ongoing service with the DSEC and NAAFI, and that he should avoid engaging on matters on behalf of any of his employers that could be seen as being in conflict with his roles with the DSEC and NAAFI.
11. Noting Lt Gen Nugee's possible contacts and influence in the area of climate change and sustainability, the Committee has imposed a restriction that makes it clear he should not use contacts he has developed in other governments and organisations to gain business for Remit Zero.
12. The Committee considered whether a further waiting period was necessary to put a gap between Lt Gen Nugee's access to information and his taking up of this appointment with Remit Zero, given the potential overlap with his time in office. However, the mitigating factors in this case are set out above, and the

⁵ This application for advice was considered by Jonathan Baume; Andrew Cumpsty; Isabel Doverty; Sarah de Gay; Dr Susan Liautaud; The Rt Hon Lord Pickles; Richard Thomas; Mike Weir; and Lord Larry Whitty.

conditions below adequately mitigate the remaining risks - the Committee would draw Lt Gen Nugee's attention to the condition preventing him from having contact with the MOD on behalf of Remit Zero. This reduces the risks associated with the information he would have access to and its likelihood to provide Remit Zero an unfair advantage. Therefore, the Committee considered that the 8 months plus that have already passed is a sufficient gap.

13. Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with Remit Zero Limited 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 from his time in Crown service or in any capacity in which he continues to work with the UK government;
- for two years from his last day in Crown service, he should not become personally involved in lobbying the UK government or its arms' length bodies on behalf of Remit Zero Limited (including parent companies, subsidiaries, partners and clients); nor should he make use, directly or indirectly, of his contacts in the government and/or Crown service contacts to influence policy, secure business/funding or otherwise unfairly benefit Remit Zero Limited (including parent companies, subsidiaries, partners and clients);
- for two years from his last day in Crown service office, he should not become personally involved in lobbying contacts he has developed during his time in office and in other governments and organisations for the purpose of securing business for any company or organisation (including parent companies, subsidiaries and partners);
- for two years from his last day in Crown service, he should not provide advice to Remit Zero Limited (including parent companies, subsidiaries, partners and clients) on the terms of, or with regard to the subject matter of, a bid with, or contract relating directly to the work of the Ministry of Defence or its trading funds;
- for two years from his last day in Crown service, he should not have any engagement on behalf of Remit Zero Limited (including parent companies, subsidiaries, partners and clients) with the Ministry of Defence;
- for two years from his last day in Crown service he should not undertake any work for Remit Zero Limited (including parent companies, subsidiaries, partners and clients) on matters concerning the Ministry of Defence's approach to climate change, sustainability, safety, and the environment, or any matters discussed at the Defence Safety and Environment Committee and the Navy, Army and Air Force Institutes.

14. 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.
15. 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*'.
16. I should be grateful if you would inform us as soon as Lt Gen Nugee takes up employment with this organisation, or if it is announced that Lt Gen Nugee will do so. 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 Lt Gen Nugee has complied with the Rules.
17. Please also inform us if Lt Gen Nugee 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.
18. 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,

William Young
Committee Secretariat

Annex - Material information

The role

1. Lt Gen Nugee seeks to join Remit Zero in a paid, part-time role as a Non-Executive Director. He said this role will be unpaid until Remit Zero starts to make a profit, which he said will likely not be for at least 18 months. He confirmed he has no shares or share options at this time, but noted that is anticipated once he starts receiving pay.
2. Lt Gen Nugee said the nature of Remit Zero's business is '*...developing products that use natural science to provide low or zero carbon solutions*'. He said '*Their first product "cylo" aims to provide a like for like replacement for*

domestic and light industrial scale fossil fuel boilers but with zero emissions at point of use. The organisation's profile on Companies House states it is an engineering company.

3. Lt Gen Nugee said he will provide *'Board level support to assist Remit Zero grow from a start-up SME [small or medium-sized enterprise] in Feb 2021 to a substantial organisation providing cutting edge net zero technologies'*. He said he will provide strategic and policy guidance to support the company's engagement with organisations both within and outside of the public sector (excluding MOD), including overseas. Lt Gen Nugee said he will be *'...looking specifically at the running of the company'* to ensure it is efficient and effective. He said he will provide *'...technical briefings to the executive'*, using his wider knowledge on sustainability rather than any privileged insight from his work at the MOD.
4. Lt Gen Nugee said this appointment will not include any contact or dealings with his former department or government more generally. With reference to his ongoing position as a Non-Executive Director on the Defence Safety and Environment Committee (DSEC), Lt Gen Nugee noted the potential risk should he have contact with the MOD. He said he would be conscious *'...not to engage directly in any way with the MOD'* in this role at Remit Zero, as he would be in any of his other outside roles - recognising this would be inappropriate.

Dealings in office

5. Lt Gen Nugee said he had discussions with Andy Slaney, the Managing Director of Remit Zero, whilst he was in office. Mr Slaney was contracted by DIO, working in the team that supported Lt Gen Nugee's strategy. He said they did not have any non-DIO discussions as Mr Slaney worked to the department's agenda - more specifically, Lt Gen Nugee said Mr Slaney did not refer to Remit Zero throughout their conversations. Lt Gen Nugee said he was unaware of Remit Zero or what it was trying to achieve until after he left office.
6. Lt Gen Nugee advised the Committee he did not have any involvement in any policy development or decisions that would have been specific to Remit Zero; no relevant commercial or contractual responsibilities relating to them; nor did he have access to sensitive information.

Department Assessment

7. The MOD confirmed the details Lt Gen Nugee provided.
8. The MOD said although Lt Gen Nugee *'...has had influence over the department's approach to energy procurement'*, it confirmed *'...this has not been specific to any one company'*, and he *'...has had no involvement with DIO's exploration of purchasing Remit Zero's Cylo product'*.
9. The MOD confirmed it does not currently have a direct contract with Remit Zero; though Remit Zero currently has a contract with Amey plc (an infrastructure support service provider) which contracts with the MOD under the department's

[Next generation estate contracts \(NGEC\)](#) programme - and will continue under its [Future Defence Infrastructure Services \(FDIS\)](#) programme). However, the MOD also confirmed that DIO is in the process of exploring a contract with Remit Zero, in relation to its product Cylo as a replacement for fossil fuel boilers in Service Family Accommodation. The MOD said contact between DIO and Remit Zero has been ongoing since their start up in February, whilst Lt Gen Nugee was in his role as Climate Change and Sustainability Strategy Lead at the MOD.

10. It was confirmed that Remit Zero's Managing Director was contracted to work with DIO at the MOD. This was not in his capacity as Managing Director at Remit Zero, but as Managing Director of Low Carbon Estates Limited. Lt Gen Nugee said he did meet with the Managing Director whilst he was working as a contractor for DIO, though he confirmed no discussion about Remit Zero took place, and he was unaware of Remit Zero until after he left office.
11. The MOD confirmed Lt Gen Nugee had no involvement in its discussions with Remit Zero and was not involved in contractual / commercial matters more generally whilst in office. The department noted his role was relevant in so far as it '*...promote[d] a pan-defence move away from fossil fuel dependence towards HMG's net zero goals and this was an example of the department exploring a specific way of doing that*'. However, the MOD confirmed its engagement with Remit Zero was DIO's responsibility, not Lt Gen Nugee's, who held no responsibility for this.
12. The MOD recommended the standard conditions, with an additional condition that notes Lt Gen Nugee's ongoing role on the DSEC. The MOD said '*...there is a need to for him to stand aside from any decisions on that committee which could affect his proposed employer specifically, or from advising his proposed employer on Defence's or wider government's approach to climate change, sustainability, safety, and the environment, or any matters discussed at DSEC*'.
13. The MOD said it will write to Lt Gen Nugee '*...asking him to be mindful of the heightened risk of actual and perceived conflict of interest due to ongoing service as a Defence NED; declare any conflict when attending DSEC; and scrupulously avoid engaging on a matter on behalf of any of his employers that could be seen as being in conflict with his role on DSEC*'. The MOD said this, along with the proposed limitation above, should '*...mitigate the risk of perception of overlap between his role at his new employer and his ongoing service as a defence non-executive director*'. The MOD also confirmed it would write to the Chair of DSEC in relation to managing the potential risk of conflict.
14. Overall, the MOD said it had no concerns about Lt Gen Nugee taking up this role.