



## **OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS**

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November 2022

### **BUSINESS APPOINTMENT APPLICATION: Liz Ditchburn, former Director General of Economy at the Scottish Government. Unpaid appointment as Non-Executive Director, Net Zero Technology Centre (NZTC).**

1. Ms Ditchburn approached the Advisory Committee on Business Appointments (the Committee) under the Government's Business Appointments Rules for former Crown servants (the Rules) seeking advice on taking up an appointment as a Non-Executive Director with the Net Zero Technology Centre (NZTC). The material information taken into consideration by the Committee is set out in the annex below.
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 time in office, alongside the information and influence a former Crown servant may offer NZTC.
3. The Rules<sup>1</sup> 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

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<sup>1</sup> Which apply by virtue of the Civil Service Management Code, The Code of Conduct for Special Advisers, The King's Regulations and the Diplomatic Service Code.

4. When considering this application, the Committee<sup>2</sup> took into account that this role as a Non-Executive Director is unpaid<sup>3</sup>. Generally, the Committee's experience is that the risks related to unpaid roles are limited. The purpose of the Rules is to protect the integrity of the government by considering the real and perceived risks associated with former Crown servants using privileged access to contacts and information to the benefit of themselves or those they represent; and to mitigate the risks that individuals may make decisions or take action in office to in expectation of rewards, on leaving government. These risks are significantly limited in unpaid cases due to the lack of financial gain to the individual.
5. The Committee took into account that Ms Ditchburn did not meet with NZTC while in service. There is a funding relationship as it has previously received significant funding as a result of the Aberdeen City Region Deal (decided before she took up post) and more recently the Scottish Industrial Energy Transformation Fund. The Scottish Government confirmed Ms Ditchburn had no direct involvement or influence in any decisions specifically affecting them and the Committee noted it is a specific application process outside of Ms Ditchburn's influence that allocated funding via the Fund. Therefore, the Committee considered the risk that she could be seen to have been offered this unpaid role (gained via an open competition) as a reward for decisions made, or actions taken in office, was low.
6. The Committee recognised this appointment might include contact with the government as part of wider stakeholder engagement. Ms Ditchburn has been clear the contact will not involve lobbying the government and is via an established stakeholder relationship. The nature of the organisation is also relevant, as it is a not-for-profit working toward the Scottish and UK Government aims to reach Net Zero. The Committee considered that contact that could be perceived as aimed at influencing funding decisions would raise risks under the rules.

### The Committee's advice

7. The Committee did not consider this appointment raises any particular proprietary concerns under the government's Business Appointment Rules, subject to the conditions below. There are inherent risks associated with Ms Ditchburn's access to sensitive information and contacts, the standard conditions below, preventing her from drawing on her privileged information and using her contacts to the unfair advantage of her new employer, will sufficiently mitigate in this case. The contact with government which may occur as described by Ms Ditchburn in her application would be consistent with the conditions below. The Committee does wish to make it clear it would

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<sup>2</sup> This application for advice was considered by Jonathan Baume; Andrew Cumpsty; Isabel Doverly; Sarah de Gay; Dr Susan Liautaud; The Rt Hon Lord Pickles, Richard Thomas and Mike Weir. Lord Larry Whitty was unavailable.

<sup>3</sup> By unpaid the Committee means that no remuneration of any kind is received for the role. Applicants must declare where it is agreed or anticipated they may receive remuneration or some other compensation at some stage in the future.

be inappropriate for Ms Ditchburn to seek to influence the government in relation to funding, which is prevented by the conditions below.

8. Taking into account these factors, in accordance with the Government's Business Appointment Rules, the Committee advises this appointment with **Net Zero Technology Centre** be subject to the following conditions:
  - She should not draw on (disclose or use for the benefit of herself or the persons or organisations to which this advice refers) any privileged information available to her from her time in Crown service;
  - for two years from her last day in Crown service, she should not become personally involved in lobbying the Scottish Government or its arms' length bodies on behalf of Net Zero Technology Centre (including parent companies, subsidiaries, partners and clients); nor should she make use, directly or indirectly, of her contacts in the government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage of Net Zero Technology Centre (including parent companies, subsidiaries, partners and clients); and
  - for two years from her last day in Crown service she should not undertake any work with Net Zero Technology Centre (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 Scottish Government or its arms' length bodies.
9. The advice and the conditions under the government's Business Appointment Rules relate to her previous role in government only; they are separate to rules administered by other bodies such as the Lobbying Register or the Standards, Procedures and Public Appointments Committee. It is her personal responsibility to understand any other rules and regulations she may be subject to in parallel with this Committee's advice.
10. 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.
11. 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.*'

12. Ms Ditchburn must inform us as soon as she takes up this role, or if it is announced that she 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 she has complied with the Rules and the Ministerial Code.
13. Ms Ditchburn must also inform us if she proposes to extend or otherwise change the nature of her role as, depending on the circumstances, it may be necessary for her to make a fresh application.
14. 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,

Oli Purnell  
**Committee Secretariat**

## Annex - Material information

### The role

1. Liz Ditchburn seeks to join NZTC in an unpaid, part-time role as a Non-Executive Director (NED) which she was offered after a competitive process organised by the search firm Nurole.
2. Ms Ditchburn said NZTC is a not-for-profit, industry led, technology research and development organisation. NZTC invests in partnerships with industry, local and national government, and academia to address major innovation challenges, working across sectors from renewables to manufacturing to develop and deploy technologies to accelerate the transition to net zero.
3. Ms Ditchburn stated that NZTC was created as part of the Aberdeen City Region Deal, with £180m of UK and Scottish Government (SG) funding to maximise the potential of the North Sea. In 2021 NZTC was awarded £16.5m of funding from the SG. This funding was within Ms Ditchburn's area of responsibility and she was the Accountable Officer. She said the work on this was managed by staff in the Directorate of Energy and Climate Change.
4. Ms Ditchburn described the duties of the NED role with NZTC as:
  - Challenging, supporting and approving the Executive's proposals for strategy and evolution of the business;
  - Holding the Executive to account for a high standard of delivery against the business plan;
  - When appropriate, act as ambassador to enhance NZTC's profile through engagement with a range of stakeholders;
  - As required, Chair a sub-committee or panel within NZTC on behalf of the board.
5. Ms Ditchburn said her role may involve contact with government as part of wider stakeholder engagement which would be *'in the context of normal daily business and broader policy debate and engagement across the spectrum of issues relevant to net zero and will not include any lobbying of Scottish ministers of any kind'*.

### Dealings in office

6. Ms Ditchburn said she had no personal engagement in the process and did not meet or engage with NZTC during her time in crown service. Regarding the funding allocation NZTC received from the Scottish Government (SG) Ms Ditchburn said she *'had no personal engagement in the process and did not meet or engage with NZTC during'* her *'time in the DG role'*. It has also now been over 8 months since she left Crown Service.
7. Ms Ditchburn confirmed she was not involved in regulatory or contractual decisions specifically affecting NZTC and does not have access to privileged information that could benefit NZTC. Ms Ditchburn stated she had no personal

engagement in the process and did not meet or engage with NZTC during her time as DG Economy.

### Department Assessment

8. The Scottish Government confirmed the details Ms Ditchburn provided. It confirmed that Ms Ditchburn was the Accountable Officer at the time of the funding announcement worth £16.5m in August 2021 and added that Ms Ditchburn was not required to provide Accountable Officer clearance for the launch of the Energy Transition Fund (ETF) programme which provided the funding for NZTC. It confirmed that during this process Ms Ditchburn did not meet or engage with NZTC during her time as DG Economy.
9. The department confirmed that it provides some funding to NZTC and advised there is some tension currently about the way the payments are structured. It acknowledged there is a risk that Ms Ditchburn might advise on issues of this nature but stated that the interaction with Scottish Government in this role is *‘a normal business’ issue not a subject for lobbying in the sense precluded by the ACOBA rules’*.
10. The department confirmed that Ms Ditchburn had a broad knowledge of net zero policy and regulatory environment but not information that could be perceived as providing any unfair advantage.
11. The Scottish Government confirmed it had no concerns and reservations. It noted contact with all parts of UK government is likely through Ms Ditchburn’s role in building stakeholder relationships. In light of this, it recommended the standard 2 year lobbying ban, with the exception of communications with the Scottish Government on matters that are an integral part of the normal course of business for the organisation.