



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

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BUSINESS APPOINTMENT APPLICATION: The Rt Hon James Heappey, former Minister of State for the Armed Forces at the Ministry of Defence. Paid appointment with AECOM.

1. You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Ministers (the Rules) for a role you wish to take up with AECOM as a Senior Advisor.
2. The purpose of the Rules is to protect the integrity of the government. The Committee has considered the risks associated with the actions and decisions made during your time in office, alongside the information and influence a former defence minister may offer AECOM. The material information taken into consideration by the Committee is set out in the annex.
3. The Committee considered whether this appointment was unsuitable given the potential overlap with your role at the Ministry of Defence (MOD) and AECOM's work in defence alongside other sectors. The Committee also considered the information provided by the department about your access to information and decision making in office.
4. The Committee has advised that a number of conditions be imposed to mitigate the potential risks to government associated with this appointment under the Rules. The Committee's advice is not an endorsement of this appointment.
5. The Ministerial Code sets out that ministers must abide by the Committee's advice. It is an applicant's personal responsibility to manage the propriety of any appointment. Former ministers of the Crown, and Members of Parliament, 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 risks presented

6. AECOM is an American multinational infrastructure consulting firm. It focuses on planning, design and engineering consulting to solve complex challenges in multiple sectors, including defence. AECOM currently holds 43 contracts with the MOD.
7. You had overall responsibility for all aspects of the Armed Forces activity, including operational policy¹; international defence engagement strategy; military recruitment; and cyber. There is a significant relationship between the MOD and AECOM, with 43 open contracts, the highest of which is worth £100m. The vast majority of these relate to the defence estate optimisation programme, which is one of AECOM's largest projects with the MOD. Whilst you had sight of this work, it fell outside of your ministerial portfolio (the Minister for Defence Procurement was responsible) and you provided no direction on the work. You made no specific commercial or policy decisions specific to AECOM or the Estate Optimisation Programme. Therefore, the Committee considered the risk you could reasonably be seen to have been offered this work as a result of actions taken, or decisions made, in office is low.
8. While AECOM is not primarily a defence company, it does operate in the defence sector. As Minister for the Armed Forces, you had access to sensitive information regarding UK defence operations, overseas operations, and the UK's bilateral relationships with various foreign governments and militaries. There are mitigating factors that help reduce the risks associated with your access to information and insight:
 - The overlap with AECOM's work and your responsibilities in office is general and broad, rather than specific.
 - Infrastructure, procurement and industry fell within other ministerial portfolios within the MOD.
 - You seek to advise on infrastructure, which you were not involved in the day to day operation of whilst at the MOD. The MOD said your access to information about relevant infrastructure was limited to that which is now all in the public domain - meaning there is no evidence of particular information at risk here.
 - You have been out of office for 11 months, which places a significant gap between leaving office and taking up this role.
9. There remain risks associated with your access to information, which would most likely occur if you were to work on matters that directly related to your

¹ During his time in office the development and publication of the government's strategy for the future of the armed forces occurred - <https://www.gov.uk/government/publications/defence-command-paper-2023-defences-response-to-a-more-contested-and-volatile-world>

ministerial responsibilities - whether within the UK or internationally. This risk is compounded given the clients you will be working with are unknown.

10. You would also have amassed a range of contacts within the MOD and government during your time as minister at the MOD. There is a reasonable concern you could offer unfair access to the UK government. In particular, should you be involved in matters that relate to contracts between AECOM and/or its clients and the UK government. In the circumstances, it would also be difficult to manage the perception you were seeking to influence the UK government on AECOM's behalf if you were to seek direct engagement with the UK government on the company, or its clients' behalf.
11. The Committee also considered the risks associated with your contacts gained in other governments given your work with ministerial counterparts in allied governments whilst in post - particularly in Europe. There is a significant risk that you might be seen to offer contacts from your time as minister in overseas governments, that may now offer an unfair advantage to AECOM in securing new business with governments abroad.
12. The Committee considered it significant when considering the suitability of this role that you have experience from serving in the armed forces for a decade, and that you kept an interest in defence matters whilst a Member of Parliament. You therefore gained experience in the defence sector before entering ministerial office.

The Committee's advice

13. There is a reasonable concern this role could be seen to overlap with your ministerial role at the MOD. In the circumstances, the Committee has imposed a condition on your role to prevent you from working on matters that materially overlap with your time as Minister for the Armed Forces, whether in the UK or overseas.
14. As AECOM has a significant commercial interest in the UK government - to manage the risks, the Committee advises you must have no involvement in its UK government facing work. In addition, you must not have any direct engagement with the UK government on behalf of the company, as to do so would raise significant risks under the government's Rules in relation to undue influence. It is significant that AECOM has confirmed compliance with this advice.
15. The remaining conditions below seek to prevent you from making improper use of privileged information, contacts and influence to the unfair advantage of AECOM in carrying out this advisory role.

16. In accordance with the government's Business Appointment Rules, the Committee advises this appointment with **AECOM** 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 from your time in ministerial office;
- for two years from your last day in ministerial office, you should not become personally involved in lobbying the UK government or any of its arm's length bodies on behalf of **AECOM** (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in the government and/or ministerial office to influence policy, secure business/funding or otherwise unfairly advantage **AECOM** (including parent companies, subsidiaries, partners and clients);
- for two years from your last day in ministerial office, you should not provide advice to, or on behalf of, **AECOM** (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 UK government or any of its arm's length bodies;
- for two years from your last day in ministerial office, you must not advise **AECOM** (including parent companies, subsidiaries, partners or clients) with regard to any strategy, policy or operational matters you had specific involvement in or responsibility for, or in relation to clients you had a relationship with during your time as Minister for the Armed Forces.
- for two years from your last day in ministerial office, you must not be involved in **AECOM's** UK government business including no direct engagement on behalf of **AECOM** (including parent companies, subsidiaries, partners and clients) with the UK government.

17. 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.

18. 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."

19. You must inform us as soon as you take up employment with this organisation, or if it is announced that you will do so. Please also inform us if you propose 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.
20. 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.

The Rt Hon Lord Pickles

Annex – material information

The Role

1. AECOM is an American multinational infrastructure consulting firm. It is an engineering consultancy that works to 'solve complex challenges' in multiple sectors, for example, transportation, buildings, water, new energy, and the environment. It also operates within defence. It provides advice on: planning, design, engineering, consulting and program and construction management.
2. You explained that AECOM works with both defence companies and governments. It also works with construction companies to build new manufacturing facilities for UK defence companies. Some of these facilities will manufacture for a range of companies and clients in several countries/markets including allies and partners of the UK. The MOD are not a customer of these manufacturing capabilities per se but could be indirectly. For example, through delivery of defence equipment/weapons etc in the future that are made by UK defence companies in these facilities and sold to the MOD or its suppliers.
3. AECOM currently holds 43 contracts with the MOD. It is a partner in its work to increase value for money in defence estates. The MOD has a large estate, accounting for 1.5% of the UK landmass. AECOM is part of the consortium delivering the Defence Estate Optimisation Portfolio, which is a 25-year investment strategy. The MOD will dispose of sites that are no longer required for military use as units move to more purpose-built facilities.
4. You wish to take up a paid position as Senior Advisor to AECOM, located in AECOM's UK office which covers the UK, Europe, and in India. You will work in four main areas:
 - i. Advising on the changing nature of conflict, force composition and possible changes in infrastructure requirements and therefore engineering and construction challenges for the UK, Europe and India (not drawing on privileged information acquired during his time as a minister).
 - ii. Advising on opportunities for general business growth in the UK, Europe and India - both business to business and business to government.
 - iii. Contributing to the process for winning business in the UK, Europe and India (not on bids relating to the UK MOD and no lobbying of the UK government).
 - iv. HR and organisational structure matters - advising AECOM on the structure and staffing of its defence practice.

5. You told the Committee your career has taken place mostly in defence, meaning you have extensive knowledge and experience gained from prior to joining government: entering military service directly from university, before entering politics; and later joining the MOD as a minister. In particular you noted:
- i. You are a veteran of the Armed Forces.
 - ii. You have lived experience of MOD infrastructure from your time as a soldier.
 - iii. You further built his defence experience and network whilst in politics as an MP.
 - iv. As a backbench MP you attended meetings, lunches, and dinners of the All-Party Parliamentary Group for the Armed Forces. You also accepted hospitality at events such as the Farnborough Airshow and the Royal International Air Tattoo. During these engagements, you furthered your network, including senior members of the UK Armed Forces whom you had not known during your previous military service and senior executives in the UK defence industry.
 - v. Your ministerial career was solely related to your career and experience in the military and as an MP.

Dealings in office

6. You informed the Committee that as a minister, you had no involvement in any decisions specific to AECOM; no involvement in commercial contracts; you did not meet them in office; and do not consider you have any access to privileged information that would be beneficial to the company. You added that:
- i. you were aware that AECOM is part of the consortium delivering the Defence Estate Optimisation² Programme - including consultancy on several ongoing infrastructure projects, particularly in support of the United States Visiting Forces (USVF).³ You said that, USVF operate

² <https://www.gov.uk/guidance/defence-estate-optimisation-deo-portfolio>

³ <https://insidedio.blog.gov.uk/2021/05/06/be-part-of-the-special-relationship/>

The USVF are military forces that have been stationed in the United Kingdom since World War II at the invitation of the UK government. The USVF are governed by a number of laws and agreements, including:

- Visiting Forces Act 1952: Incorporates the 1951 NATO agreement into UK law
- United States of America (Visiting Forces) Act 1942: Includes provisions for the legal status of US military personnel in the UK, including criminal jurisdiction
- Supplemental bilateral arrangements: Additional measures between the US and UK

The USVF is represented in the UK by the United States Air Forces in Europe (USAFE-UK). USAFE-UK's role includes:

- Serving as the primary military liaison between the US and the UK government
- Supporting US Air Force units in the UK
- Recommending security cooperation objectives and activities
- Promoting the relationship between the US and UK

from 'RAF' bases in the UK, such as RAF Lakenheath and RAF Mildenhall, but with those bases entirely run and funded by the US Government, as opposed to the UK MOD or government more widely. You said these programmes were not within your ministerial portfolio nor were you involved in any discussions on them.

- ii. you would have been exposed to some privileged information during your time in office, noting your responsibilities for the Afghan resettlement scheme. You also said you were briefed on some elements of the Defence Estate Optimisation Programme - to identify surplus accommodation (though as above, you were briefed rather than involved or responsible) and you believe that information is now in the public domain.
7. In regards to your overseas engagements as minister, you said you visited the majority of European countries, many of whom the UK had a bilateral agreement/relationship with. You said no infrastructure was discussed with any of them. You added that the Secretary of State led on NATO and the MOD's defence diplomacy with allies in the alliance. As such, when you met with NATO/Europe these meetings focused on visiting UK armed forces deployed in the country and/or rallying support for Ukraine. You said that occasionally, you would go on an overseas visit to support a UK export campaign, though you never met with any procurement ministers, nor did you ever support any export campaign in Europe related to infrastructure.

Correspondence with AECOM

8. AECOM confirmed in writing its commitment to compliance with the Committee's advice:

'As requested by the Advisory Committee on Business Appointments (ACOPA), AECOM confirms its commitment to complying with the Committee's advice and conditions outlined in the Business Appointment Application dated February 2025 for the Rt Hon James Heappey's appointment with AECOM. '

Departmental view

9. The MOD provided views on this application, confirming the details you provided above, including that you made no commercial or contractual decisions relating to AECOM.

The UK's Department of Infrastructure and Organisation (DIO) is also involved in the USVF relationship, providing services such as maintenance, construction of new facilities, management of military family housing, schools, and fitness areas.

10. In relation to defence estate optimisation, the MOD said:
- i. There are 43 open contracts with AECOM, 41 of which are with the Defence Infrastructure Organisation (DIO), totalling £100 million. DIO is the estate expert for defence, supporting the armed forces to enable military capability by planning, building, maintaining, and servicing infrastructure.
 - ii. You would have been aware of the programme, which is one of AECOM's largest projects.
 - iii. You would not have been directly involved with the assessment or decision on contract award.
 - iv. There was no evidence of any decisions made by you in relation to this work - which was outside of your portfolio.
11. The MOD did not consider you to have access to any particular privileged information that would offer AECOM with an unfair advantage. It noted you would have had knowledge of the Procurement Reform Programme - which had an impact on all contractors, though not specifically AECOM.
12. ACOBA notes that whilst you were in post the Refreshed Defence Command Paper sets out future for Armed Forces was published setting out decisions such as £2.5 billion investment in stockpiles to improve fighting readiness; a UK Global Response Force will enable forces to 'get there first'; a greater focus on science and technology to gain the edge on the battlefield; a new employment model and skills framework; a team to act as surge capacity view reserve forces and a further £400 million to modernise accommodation for service families. This is in the public domain here:
<https://www.gov.uk/government/publications/defence-command-paper-2023-defences-response-to-a-more-contested-and-volatile-world>
13. The MOD said that you had frequent overseas visits to all areas of Europe other than Russia, travelling largely every other week, or at least once a month. These engagements were at a ministerial level with host nation governments to drive the government agenda forwards on a wide range of issues, from defence exports, national security considerations, and security and military co-operation, with your ministerial counterparts worldwide.
14. The MOD said you did not have access to specific sensitive information that is relevant to AECOM and it considered the risk of impropriety or unfair advantage to be low. It recommended standard conditions