

OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

G/7 Ground Floor, 1 Horse Guards Road SW1A 2HQ
Telephone: 020 7271 0839
Email: acoba@acoba.gov.uk
Website: http://www.gov.uk/acoba

August 2025

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

- You sought advice from the Advisory Committee on Business Appointments (the Committee) under the government's Business Appointment Rules for Former Ministers (the Rules) on your role as a Senior Advisor with Helsing Limited.
- 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 taken during your time in office, alongside the information and influence you may offer Helsing Limited. The material information taken into consideration by the Committee is set out in the annex.
- 3. The Committee's advice is not an endorsement of this appointment in any other respect it imposes a number of conditions to mitigate the potential risks to the government associated with the appointment under the Rules.
- 4. 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

5. Helsing Gmbh (Helsing) is a German-based artificial intelligence firm, operating in the defence sector, with a presence in the UK – through its UK

- subsidiary, Helsing Limited. It uses artificial intelligence in developing and implementing methods of security and data processing for democratic governments. It has several contracts with the UK MOD/ UK government. For ease, the references throughout this advice letter to 'Helsing' will cover the entire company, both the parent company and its subsidiaries.
- 6. The MOD confirmed that, as Minister of State for the Armed Forces, you made no policy, regulatory or commercial decisions specific to Helsing. However, it was also relevant to the Committee's¹ consideration that Helsing has multiple contracts with the UK MOD/ UK government, you had official dealings with Helsing in office and you had involvement in decisions impacting the defence sector it operates in. For example, you were involved in the Defence Command Paper 2023, which prioritised and set the strategic direction for the use of AI in defence. Helsing's contracts with the UK MOD/ UK government were awarded more than six months after you left office and procurement was not part of your ministerial portfolio. Whilst you had a role in the strategic direction of AI at the MOD, none of these decisions were specific to Helsing. Overall, the Committee considered the risk this work could reasonably be perceived as a reward for decisions or actions taken in office is limited.
- 7. As the former Minister of State for the Armed Forces, you will have had broad access to the UK's strategy on defence and AI. This could provide an advantage to any company operating in the defence and security sector, including Helsing. Various factors help limit the risk that your access to information and insight may offer Helsing an unfair advantage:
 - The MOD is unaware of any specific information you have access to from your time in office that would grant Helsing an unfair advantage.
 - The information to which you had access was general, and not specific to Helsing. This risk would apply to any organisation that might have an interest in the areas you had responsibility for in office.
 - You have been out of office for over 15 months creating a significant gap since you last had access to sensitive information.
 - Given the change of government and publication of The Strategic Defence Review 2025,² (an updated framework for drone and AI use in UK defence), it is likely matters from your time in office concerning the use of these technologies in UK defence are now in the public domain.
 - The speed of the development of artificial intelligence is also relevant, given capabilities and products will have progressed significantly in the 15 months since you left office.

² https://www.gov.uk/government/publications/the-strategic-defence-review-2025-making-britain-safer-secure-at-home-strong-abroad

¹ This application for advice was considered by Isabel Doverty; Hedley Finn OBE; Sarah de Gay; Michael Prescott and The Baroness Thornton. Dawid Konotey-Ahulu CBE was unavailable.

- 8. The Committee considered there remains risk associated with your access to commercial information. You met with multiple companies operating in the Al/defence/technology sphere whilst in office. Whilst the MOD did not consider you had access to specific commercial information that could provide an unfair advantage, it cannot be evidenced that all the information you were privy to is now out of date and therefore it may offer Helsing an advantage in the future should it seek to expand its offering.
- 9. You would also have amassed a range of contacts within the UK MOD and the UK government during your time as minister. There is a reasonable concern you could offer unfair access to the UK government, in terms of competing for MOD contracts or influencing government defence policy. Whilst you said your role will not involve any contact with the UK government, the Committee agreed that given Helsing's work, should you have any contact with the UK government or the MOD on the company's behalf, it would risk being seen as lobbying.
- 10. 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. Given your role includes advising on business opportunities in Europe, there is a risk that you might be seen to offer contacts in overseas government from your time as minister, to offer an unfair advantage to Helsing in securing new business with governments abroad.
- 11. The Committee considered it relevant 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.
- 12. The Committee considered it significant that Helsing confirmed:
 - it will adhere to the Rules and the conditions of this advice:
 - you will not lobby government, seek to influence policy, secure business or funding, or participate in contract bids whilst subject to the Rules; and
 - ACOBA compliance is a requirement within your Service Agreement with Helsing.

The Committee's advice

13. The Committee recognised that your ability to offer an unfair advantage to Helsing through any specific piece(s) of information was limited, but

considered your role in the MOD, and your meetings with potential competitors of Helsing, to present real and perceived risks associated with your access to information. This is most likely to arise in relation to the company's business in the UK defence market. The Committee has therefore imposed a condition which prevents you from advising on the UK defence market – which is in keeping with the role as you describe it.

- 14. You confirmed there will be no contact with the UK government or the MOD in this role. However, as a former minister with a range of contacts within the MOD and UK government, there is a risk you may be perceived to offer Helsing unfair access to government or the MOD. Therefore, the Committee's advice is that you should have no direct engagement with the UK government, the MOD or NATO allied militaries on Helsing's behalf.
- 15. It is significant that Helsing confirmed its adherence to the Committee's advice and, in particular, that you would not be involved in any lobbying of the UK government.
- 16. In addition, the remaining conditions below are considered to appropriately mitigate the risks associated with your access to privileged information, contacts and influence gained as a result of your time in government.
- 17. The Committee advises, under the government's Business Appointment Rules, that this appointment as Senior Advisor with **Helsing Limited** should 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, MOD or NATO allied militaries or their arm's length bodies on behalf of Helsing Limited (including parent companies, subsidiaries, partners and clients); nor should you make use, directly or indirectly, of your contacts in government and/or Crown service to influence policy, secure business/funding or otherwise unfairly advantage Helsing Limited (including parent companies, subsidiaries, partners and clients);
 - for two years from your last day in ministerial office, you should not provide advice to Helsing Limited (including parent companies, subsidiaries, partners and 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, the MOD or NATO allied militaries or their arm's

length bodies;

- for two years from your last day in ministerial office, you should not become personally involved in lobbying contacts you developed during your time in office in external organisations (including other governments) for the purpose of securing business for Helsing Limited (including parent companies, subsidiaries and partners); and
- for two years from your last day in ministerial office, you should not advise Helsing Limited on the UK defence market; and you must not directly engage with the UK government, the MOD or NATO allied militaries or their arm's length bodies on Helsing Limited's behalf (including parent companies, subsidiaries, partners and clients).
- 18. The advice and the conditions under the government's Business Appointment Rules relate to your previous role in government only; they are separate from rules administered by other bodies such as the Office of the Registrar of Consultant Lobbyists, the Parliamentary Commissioner for Standards and the Registrar of Lords' Interests.³ It is an applicant's personal responsibility to understand any other rules and regulations they may be subject to in parallel with this Committee's advice.
- 19. 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.
- 20. 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.'
- 21. You must inform us as soon as you take up this role, or if it is announced that you will do so. You must also inform us if you propose to extend or otherwise change the nature of your role as, depending on the circumstances, as it may

³ All Peers and Members of Parliament are prevented from paid lobbying under the House of Commons Code of Conduct and the Code of Conduct for Members of the House of Lords. Advice on obligations under the Code can be sought from the Parliamentary Commissioners for Standards, in the case of MPs, or the Registrar of Lords' Interests, in the case of peers.

be necessary for you to make a fresh application.

22. 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.

Isabel Doverty

Interim Chair ACOBA

Annex – material information

The role

- 1. Helsing Gmbh is a German-based artificial intelligence firm that operates in the defence sector. It has a UK subsidiary called Helsing Limited. It uses artificial intelligence in developing and implementing methods of security and data processing for democratic governments. Helsing describes itself as working with governments and industry partners to transform the capabilities of existing hardware assets. It has five products:
 - Altra: Altra intelligently connects all elements of the battlefield to transform the accuracy, speed and robustness of land forces. It appears to be focused on increasing acquisition and precision of targeting via drones etc.
 - HX-2: a software-defined strike drone. Onboard AI prevents hostile electronic warfare. A human operator stays in or on the loop for all critical decisions. HX-2 is in the production stage with some of the core tech already in use in Ukraine.
 - Cirra: addresses anti-aircraft radars, helping pilots and aircraft to classify and read the intent of unknown anti-aircraft emitters.⁴
 - Project Centaur: a large-scale Al initiative to develop autonomous air combat capabilities including, for example, FCAS, GCAP and other advanced air combat programmes across Europe.⁵ It is in

⁴ Devices that simulate the signatures of hostile aircraft and missiles, allowing pilots to practice identifying and reacting to combat situations safely.

⁵ FCAS and GCAP are advanced air combat programs, with FCAS (Future Combat Air System) being a UK-led initiative focusing on a next-generation combat air capability, including crewed and uncrewed aircraft, while GCAP (Global Combat Air Programme) is a trilateral partnership between the UK, Japan, and Italy to develop a next-generation crewed combat aircraft.

development.

- SG-1 Fathom and Lura: SG-1 Fathom and Lura are technologies designed to work together to monitor underwater areas for potential threats – aimed at navies. SG-1 is an underwater glider that can be deployed in large numbers for subsurface surveillance and Lura is an advanced AI software system for operating multiple SG-1 Fathoms at once.
- 2. The MOD signed a treaty with Germany in October 2024 (UK-Germany Trinity House Agreement on Defence) securing defence cooperation across all domains; land, sea, air, cyber, and space.⁶ This includes major investments in the defence industry by Helsing. The new cooperation is focused on, amongst other things, industrial cooperation via a new investment of £350 million into the UK for the development of AI systems, confirmed by Helsing.⁷ Rheinmetall announced plans to build a new gun barrel factory in Britain, supporting 400 jobs and nearly half a billion pounds of benefit to the UK economy.⁸
- 3. Cooperation will also include:
 - army training;
 - exercising;
 - innovating together on NATO's eastern flank;
 - protecting vital undersea cables in the North Sea; and
 - advancing innovation between our armies to shape the future of NATO warfare; driven by AI and emerging technologies.
- 4. Helsing Limited has four contracts with the UK government to provide cloud software for AI use in land,⁹ infrastructure,¹⁰ maritime¹¹ and air¹² all awarded in October 2024. These contracts sit under the G-Cloud-14 agreement (an online catalogue for all public sector organisations and charities to buy cloud-based computing services), which ends on 28 April 2026.
- 5. You told the Committee you wish to take up a part-time, paid role with Helsing. Your role as a Senior Advisor will involve advising on business opportunities in Europe (but not in the UK until the two-year restricted period has passed),

⁶ https://www.gov.uk/government/news/landmark-uk-germany-defence-agreement-to-strengthen-our-security-and-prosperity

⁷ https://www.janes.com/osint-insights/defence-news/air/helsing-to-mass-produce-ai-enabled-hx-2-uav -in-uk

⁸ https://www.army-technology.com/news/new-uk-site-will-manufacture-rch-155-artillery-and-120mm-t ank-barrels/

⁹ https://www.applytosupply.digitalmarketplace.service.gov.uk/g-cloud/services/902635197281891

¹⁰ https://www.applytosupply.digitalmarketplace.service.gov.uk/g-cloud/services/902635197281891

https://www.applytosupply.digitalmarketplace.service.gov.uk/g-cloud/services/859609441290693

https://www.applytosupply.digitalmarketplace.service.gov.uk/g-cloud/services/142588692290392

- geopolitical trends and emerging threats, and the application of new technologies to defence and security challenges.
- 6. You confirmed this appointment will not involve contact with government or your former department, the MOD.
- 7. You told the Committee you had involvement with the defence sector, prior to your ministerial role:
 - You are a veteran of the British Army.
 - 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.
- 8. You said you chaired an ad-hoc dinner for Helsing in July 2024 (after leaving ministerial office), for which you received a fee. You kept in touch with Helsing until being invited to join in a paid role.

Dealings in office

- 9. You told the Committee you did not have involvement in any policy development or decisions specific to Helsing and held no commercial or contractual responsibilities relating to Helsing. You said procurement was not part of your portfolio as minister. This fell under the responsibility of the Minister for Defence Procurement.
- 10. You said Helsing Gmbh is developing capabilities for the UK Armed Forces and Helsing Limited is therefore well connected to the MOD.
- 11. You met with Helsing's Chief Executive on two occasions:
 - To discuss the possibilities for retro-fitted AI-enabled missions systems for Soviet-era tanks in the service of the Ukrainian Armed Forces and the application of AI in accelerating the stages of an attack in Ukraine. You said that you do not know if the MOD procured anything as a result of that conversation and you had no involvement in procurement.
 - In September 2023, during a visit to Helsing's stand at DSEi (a defence exhibition) you were briefed on an emerging maritime technology. You said this was one of dozens of such briefings in a programme designed by the MOD to ensure UK ministers were supporting UK defence companies. You said you are unaware of whether anything was subsequently procured (and, as above, procurement did not fall under

your portfolio).

- 12. You told the Committee that you spoke with other defence technology companies, but did not consider you had access to any commercially sensitive information as a result:
 - You met with defence technology companies to explore the opportunities for deploying those technologies in support of the Ukrainian Armed Forces.
 - You met with the UK-based drone company Callen-Lenz.
 - You had brief engagements with two companies at DSEi (a defence exhibition). These were not arranged by the MOD as you personally knew the founders or representative at the show:
 - Anduril (an American defence technology company specialising in autonomous systems); and
 - Adarga (a technology company specialising in AI software for customers in the defence, national security and commercial sectors).
 - You met with other companies at DSEi in 2023, but you cannot recall the names of these companies.
- 13. You did not have access to commercially sensitive information or any privileged information relevant to Helsing.

Correspondence with Helsing on compliance

14. Your proposed employer confirmed, in writing, its understanding of and agreement to comply with the Committee's advice. Helsing stated that:

'Please consider this written confirmation that Helsing acknowledges the conditions imposed upon Mr Heappey's appointment and commits to adhering with the restrictions applied to his role, for the period this ACOBA advice applies.

Mr Heappey is being contracted as a Senior Adviser and will not involve the lobbying of the UK Government, seeking to influence policy, securing business or funding, or participating in contract bids.

This is aligned with Helsing's enduring commitment for all its staff and advisers to adhere with ACOBA guidance and the separation of such roles from those involving activities restricted by ACOBA's conditions. This has been communicated in writing to Mr Heappey, in addition to the confirmation of ACOBA compliance as a set requirement within his Service Agreement.'

Departmental assessment

- 15. The MOD confirmed that you made no regulatory, commercial or policy decisions specific to Helsing, but said you had influence over the Defence Command Paper Refresh which set the strategic direction for AI in defence, in the area in which Helsing operates.
- 16. The MOD said Helsing are under two contracts with the MOD:
 - In Defence Digital under Project ASGAARD a request for information initiated by the Army in October 2024 for a network-enabled reconnaissance and strike complex.
 - More recently awarded in Defence Digital under Project ACHERON to assess Defence's all-domain integrated remote autonomous systems capability potential.
- 17. The MOD confirmed you met with Helsing in 2023. This was a general discussion about the Defence Command Refresh Paper, a meeting in which Helsing said it had invited the British Army to a demonstration of its technology. The British Army followed up on this, but were also looking at other potential suppliers in the area. Your Military Assistant responded that you were open to other options. Helsing subsequently entered contracts with the MOD (Project ASGAARD and Project ACHERON as detailed above).
- 18. The MOD also noted that in Spring 2024, around the time you were leaving office, the MOD engaged with Helsing at Königswinter to discuss a UK-German Al-enabled drone partnership and a desire from the UK to establish a mixed MOD and industry forum for identifying lessons and capability development opportunities from Ukraine. Helsing said they would be happy to assist with this. The MOD did not note any decision-making that affected Helsing as a result of this meeting.
- 19. The MOD stated that you did not meet with any companies they consider potential competitors of Helsing to discuss the areas that Helsing currently works in (i.e. networked Al-enabled remote autonomous reconnaissance and/or strike capabilities).
- 20. The MOD confirmed you did not have access to information specific to Helsing, but as Minister of State for the Armed Forces you would have been privy to indirect information that could impact Helsing.
- 21. The MOD acknowledged that their relationship with Helsing has been strengthened materially under the current government (e.g. through the UK-Germany Trinity House Agreement on Defence). It therefore considered

your links to Helsing whilst in office appear dated.

22. The MOD recommended the appointment be cleared subject to ACOBA's standard approach for an appointment of this nature.

Information in the public domain

- 23. The Strategic Defence Review 2025 (the SDR): 13,14,15
 - Published on 2 June 2025, the SDR sets out the pathway to transform defence in the UK – with a vision that, by 2035, UK defence will be '...a leading tech-enabled defence power, with an Integrated Force that deters, fights, and wins through constant innovation at wartime pace.'
 - As one of its five priorities, the SDR includes an accelerated '...shift towards greater use of autonomy and Artificial Intelligence within the UK's conventional forces' and the '...harnessing [of] drones, data and digital warfare.'
 - Relevant to this application and as part of the SDR, government has committed to:
 - an increase in defence spending to 2.5% of GDP by 2027 and 3% in the next Parliament;
 - '...double investment into autonomous systems this Parliament';
 - establishing a 'protected Defence AI investment fund' to protect investment in defence AI research and development; and
 - establishing a '...new Defence Uncrewed Systems Centre by February 2026.'
- 24. The Defence Command Paper Refresh (DCP23):16
 - Published in July 2023, the DCP23 set out the future for Armed Forces, including decisions such as a £2.5 billion investment in stockpiles to improve fighting readiness; a UK Global Response Force which will enable forces to 'get there first'; a greater focus on science

¹³ <u>https://www.gov.uk/government/publications/the-strategic-defence-review-2025-making-britain-safer-secure-at-home-strong-abroad;</u>

¹⁴ https://www.gov.uk/government/publications/the-strategic-defence-review-2025-making-britain-safer -secure-at-home-strong-abroad/the-strategic-defence-review-2025-making-britain-safer-secure-at-home-strong-abroad#the-integrated-force-a-force-fit-for-war-in-the-21st-century-1

https://www.gov.uk/government/speeches/strategic-defence-review-oral-statement#:~:text=Committing%20the%20largest%20sustained%20increase,3%25%20in%20the%20next%20parliament

¹⁶ www.gov.uk/government/publications/defence-command-paper-2023-defences-response-to-a-more -contested-and-volatile-world

and technology to gain the edge on the battlefield; a new employment model and skills framework; improved surge capacity via a reserve of ex-regular reserve forces; and a further £400 million to modernise accommodation for service families.

- Relevant to this application, the DCP23 set out:
 - Al as a key strategic priority for UK defence. It committed to increased investment in Al-enabled military capabilities and the exploration of new Al options within major programmes; and
 - an acceleration of the delivery of the MOD's digital transformation – including investing in a classified version of the cloud and the establishment of a programme to accelerate the use of digital technology in both the battlespace and the business space.