



OFFICE OF THE ADVISORY COMMITTEE ON BUSINESS APPOINTMENTS

Room G/08, 1 Horse Guards Road, London, SW1A 2HQ

Telephone: 020 7271 0839

Email: acoba@acoba.gov.uk

Website: <http://www.gov.uk/acoba>

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GENERAL SIR NICHOLAS (NICK) HOUGHTON GCB CBE ADC

Dear Sir Nick

The Committee has considered your request for advice on taking up a commission, under the terms of your independent consultancy, to provide services to **Crossword Cyber Security plc (Crossword)**. Crossword is a technology company focused on the cyber security sector. You told the Committee you would provide advice to support the company's work with the wider corporate market.

When considering this commission, the Committee took into account that an off-shoot of Crossword, Byzgen, is working on cyber security in the defence sector, specifically exploring the exploitation of blockchain technology. Byzgen is in receipt of £81,000 of funding from the Defence Science and Technology Laboratory (DSTL) at MOD, under the 'Accelerator' programme to help develop their proposals for the use of blockchain technology. (Accelerator is a DSTL programme aimed at assisting companies with novel technologies with relevance to defence, to further develop and commercialise their ideas.)

Under your independent consultancy, you are precluded from working in the UK Defence market for two years from your last day in post. The Committee considers it appropriate to expand the terms of the ban in this case to make it explicit that you may not advise on the UK Defence market. This will preclude you from working with Byzgen and from advising Crossword or any subsidiaries on working with or securing business or funding from the MOD. The Committee considers that this is proportionate and mitigates the potential risk that you would be affording Crossword an unfair advantage given your previous position as Chief of the Defence Staff.

The Committee agrees that this commission is consistent with the terms of your independent consultancy, which was described as advising at board level on corporate leadership, operating model enhancements and geo-political risk.

The conditions that apply to your independent consultancy are:

- a three-month waiting period from your last day in Crown service;

- that you should not draw on (disclose or use for the benefit of himself or the organisations to which this advice refers) any privileged information available to you from your time in Crown service;
- for two years from your last day in post you should not work in the UK Defence market;
- for two years from your last day in Crown service, you should not undertake any work as a consultant that involves providing advice to any company or organisation on the terms of, or with regard to the subject matter of, a bid or contract relating directly to the work of the MOD or is trading funds;
- for two years from your last day of Crown service you should not become personally involved in lobbying the UK Government on behalf of any of your clients or those you advise, nor make use of, directly or indirectly, your Government and/or Crown Service contacts to influence policy or secure business on behalf of your clients; and
- for two years from your last day in Crown service, before accepting any new commissions and or/before extending or otherwise changing the nature of any commission, you should make a case directly to the Committee to confirm that each individual commission you wish to take would be permissible under the terms of this consultancy.

The Committee imposes the following additional condition with regard to your commission with Crossword:

- for two years from your last day in post you should not advise on the UK Defence market.

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.

The Business Appointment Rules explain that the restriction on lobbying means that the former Crown servant *"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."*

I should be grateful if you would let me know when you take up this commission, or if it is announced that you are to do so. This will enable the Committee to publish this letter and brief details on the regularly updated consolidated list on its website and in its next annual report.

Yours sincerely,

Nicola Richardson
Committee Secretariat