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25th March 2025

Dear Conor Chapple,

Thank you for your correspondence of 9<sup>th</sup> March, regarding the Department's monitoring of UKAS under Article 9 of Regulation (EC) No 765/2008, and the requirements set out in Article 8 of those Regulations, particularly regarding conflicts of interests.

Please see our answers below to the questions you have raised.

1) UKAS has enlisted legal representation from Stephenson Harwood LLP, which also provides legal advice to Oakley Capital—Peter Dubens—the ultimate controlling entity of NAP Topco, which in turn controls NAPIT. Given UKAS's role in accrediting NAPIT, how does DBT assess this for impartiality and Conflicts of Interest under Article 8?

<u>Answer:</u> It is not clear to us how the information you are presenting in this question implies a conflict of interest or indicates that UKAS has breached the above-referenced requirements of impartiality. We set out below the different ways that the Department oversees UKAS, to ensure that UKAS is operating in an impartial way, free from conflicts of interest.

The Department oversees UKAS through the governance and accountability arrangements set out in the Memorandum of Understanding (MOU) between UKAS and the Department. The MOU requires that UKAS operates in accordance with the Accreditation Regulations 2009, ISO/IEC 17011 and the other standards and detailed requirements included in the MOU. The MOU sets out the framework within which UKAS should be operating.

The MoU, which is reflective of how UKAS operates as a separate entity, specifies the roles, responsibilities and expectations of UKAS, which ensures UKAS complies with the requirements set out in Article 8 of Regulation (EC) No 765/2008.

Additionally, the Department conducts routine monitoring of UKAS, to ensure that UKAS continues to maintain independence, impartiality, and competence while performing its accreditation functions.

2) Lord Harrington joined Stephenson Harwood in February 2024, less than two years after leaving DLUHC in September 2022. Given his prior government role and BEIS oversight responsibilities, was this appointment reviewed for any governance or regulatory concerns?

<u>Answer:</u> All former ministers who have left the Government in the last two years must apply to The Advisory Committee on Business Appointments (ACOBA) for advice before taking up a new appointment or role outside Government. This is set out in the Ministerial Code.

3) In 2023, NAP Topco distributed £3.7 million in dividends, while NAPIT failed to carry out its regulatory obligations for onsite competency assessments. The Chief Operating Officer of NAPIT resigned during the UKAS investigation, yet no corrective action appears to have been taken.

Answer: The Department cannot comment on the actions of a private organisation.

4) UKAS's government funding increased significantly in 2023 (£900,000) despite EC 765/2008 stating that accreditation should be self-supporting with the exception of "Special Tasks".

## Can DBT clarify:

What "special tasks" justified this increased funding?

Answer: The Department does not fund UKAS to carry out its accreditation activities. UKAS is self-funded to provide accreditation services as a public interest activity and is a not-for-profit commercial organisation. In 2023 the Department provided funding to UKAS to represent the UK in global accreditation forums and specific ad hoc priority projects, for example activities relating to digitalisation of accreditation systems and processes. UKAS operates with a high level of oversight and accountability, ensuring that public funds are used appropriately and effectively.

Kind regards,

**Correspondence Unit** 

Department for Business and Trade