



CODE OF PRACTICE
FOR MEMBERS OF COUNCIL

CONTENTS

Section	Page
A. Introduction & core principles	2
B. Relationship with BIS	2
C. Role of the Chair of Council	3
D. Corporate responsibilities of Council members	4
E. Responsibilities of individual Council members	5
F. Handling conflicts of interest	7
G. Openness, accountability and responsiveness	8
H. Role of Chief Executive	10
I. The Council as Employer	10
J. References	11

CODE OF PRACTICE FOR MEMBERS OF COUNCIL

A. INTRODUCTION & CORE PRINCIPLES

This document incorporates the Code of Practice for Members of the MRC Council and the MRC's policy on reporting declarations of interest. It sets out the basis on which the members of Council should seek to discharge their responsibilities, and members of Council have agreed, on appointment, to abide by it. Members of the MRC's Research Boards and other Council subcommittees¹ should follow the general principles set out where relevant and applicable.

The Code is consistent with the MRC's Charter² and with the Science and Technology Act 1965. It has been approved by the Medical Research Council and was agreed with the (then) Office of Science and Technology (OST) (NB in June 2007 the Research Council sponsorship function of OST became the responsibility of the Department of Innovation, Universities and Skills (DIUS); and on 5 June 2009 was transferred to the Department for Business, Innovation & Skills (BIS)), the MRC's sponsor Department in Government. The MRC may be audited on its compliance with the provisions of the Code by the National Audit Office.

The Code will be reviewed at least every three years. The MRC or BIS may propose amendments to it at any time (MRC to BIS or vice versa).

The principles of public service on which this Code is based are those which apply to all public bodies. The Council must at all times:

- Observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to stewardship of public funds and the management of the MRC's activities;
- In accordance with Government policy on openness and responsiveness, comply fully with the provisions of the Freedom of Information Act 2000;
- Be accountable to Parliament, beneficiaries of its work, individual citizens and staff for the activities of the Council, its stewardship of public funds and the extent to which key performance targets and objectives are met;
- Maximise value for money through ensuring that its mission is achieved in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable.

B. RELATIONSHIP WITH BIS

The Secretary of State of the Department of Business, Innovation & Skills (BIS) is answerable to Parliament for the policies and performance of the MRC, including its use of resources and the policy framework within which it operates. The respective roles of BIS and the Council, and the terms under which Council receives and spends funds, are set out in the Management Statement and Financial Memorandum agreed between BIS (formerly OST and MRC). The current documents date from September 2005.

¹ At August 2008 comprising: Audit Committee; Strategy Board; the Research Boards; Training and Career Development Board; Remuneration Committee

² Details of all reference materials referred to within the Code – which are denoted in italics – are given at Section J, page 11. Hard copies can be made available on request to Eve Jaques, Corporate Affairs Group at Head Office.

C. ROLE OF THE CHAIR OF COUNCIL

The Chair of Council, with the assistance of the Chief Executive, has particular responsibility for ensuring that Council is an effective and accountable decision-making body, and for providing effective strategic leadership on matters such as:

- Formulation of the Council's strategy for discharging its mission as set out in the Royal Charter;
- Effective execution through the Chief Executive of Council's decisions;
- Ensuring that the Council, in reaching decisions, take proper account of guidance provided by the Minister or BIS;
- Encouraging high standards of propriety, and promotion of efficient and effective use of staff and other resources throughout the organisation;
- Providing an assessment of the performance of individual Council members when they are being considered for reappointment to Council or for appointment to the board of another public body; and
- Representing the views of the Council to the general public.

The Chair of Council is the formal channel of communication between the Council and the BIS Ministers, although the Chief Executive will also often be involved. It is unusual for a member of Council to deal directly with the responsible Minister or the sponsor Department, on Council business, without prior knowledge of the Chair and the Chief Executive. Nevertheless, individual members have the right of access to Ministers on any matter which they believe raises important issues relating to his or her duties as a member of the Council. In such cases the agreement of the rest of the Council would normally be sought. The main point of contact between the MRC and BIS on day-to-day matters will normally be the Chief Executive or members of staff duly authorised to act on his/her behalf.

The Chair should ensure that all new members of the Council are properly briefed on the terms of their appointment, and on their duties, rights, and responsibilities. They should also be given a copy of this Code and other key management material such as the Council's Royal Charter, the Management Statement and Financial Memorandum, the latest Strategic and Delivery Plans, Annual Report and Accounts, the Treasury memorandum "The responsibilities of a NDPB accounting officer", the Treasury handbook "Regularity and Propriety", notes describing the MRC's organisational structure and the statutory basis of operation and the rules and procedures of the Council. The Chair should discuss with each Council member whether they would find it helpful to attend an induction course on the duties of members of public bodies or some other suitable form of training related to their new responsibilities.

The Chair should ensure that Council meets at regular intervals throughout the year, and that minutes of meetings accurately record decisions taken and, where appropriate, the views of individual Council members and any conflicts of interest declared.

D. CORPORATE RESPONSIBILITIES OF COUNCIL MEMBERS

Council is a body corporate with executive responsibilities set out in the Science and Technology Act 1965 and by Royal Charter, thus ensuring that it has separate legal status. Council members have corporate responsibility for all the MRC's actions.

Council should exercise full and effective control over the activities of MRC including those of its staff. Council should decide all issues of major importance including issues of corporate strategy, key strategic objectives and targets, major decisions involving the use of financial and other resources, and personnel issues, including key appointments.

General Responsibilities

Members of Council have corporate responsibility for ensuring that the Council's decisions are well founded, and comply with any statutory or administrative requirements for the use of public funds. Other important responsibilities are:

- Ensuring that high standards of corporate governance are observed at all times;
- Ensuring that Council monitors the degree to which the MRC is meeting its strategic aims and targets;
- Ensuring that, in reaching decisions, the Council has taken into account any guidance issued by BIS and Treasury;
- Ensuring that the Council operates within the limits of its statutory authority; within the limits of its delegated authority agreed with BIS; and in accordance with any other conditions relating to the use of public funds;
- Overseeing and monitoring the implementation of a strategy to ensure the MRC complies with the provisions of the Freedom of Information Act 2000, to ensure prompt and legal responses are provided to public requests for information; and
- Ensuring that the Council operates sound environmental policies and practices, and ensuring that the MRC manages its estate sustainably and in line with the Government's Framework for Sustainable Development; and
- Monitoring the performance of the Chief Executive and other senior staff.

Primary responsibilities of MRC Council

1. The Council sets and approves overall strategic direction. It also provides strategic updates and horizon scanning.
2. The Council sets the overall direction of major research investments. It approves decisions on initiation and termination of such investments. This includes all investment decisions with major financial and/or reputational implications.
3. The Council sets the overall direction for annual and longer-term financial planning and approves final plans.
4. The Council approves allocation of top level budgets.
5. The Council approves appointments of board and overview group chairs. Proposals come in the form of a recommendation from Management Board.
6. The Council oversees the delivery of research programmes via reports from the CEO, COO or Strategy Board.
7. The Council monitors at each meeting financial status/out-turn.

8. The Council approves certain HR matters including: three-year HR strategy, annual pay remit, major appointments and changes to terms of service/management systems, monitor of CEO/Management Board performance. [Pay issues are delegated to the Council Remuneration Committee].
9. The Council reviews and benchmarks organisational delivery of evaluation annually.
10. The Council sets the overall direction of MRC reputation and influencing activity, including stakeholder engagement and corporate communications strategy. The Council also approves the three-year communications plan and reviews activity annually. All Council members have an advocacy role for the MRC.
11. The Council sets overall policies in relation to external reporting and public accountability. It reviews performance annually.
12. The Council sets overall risk policy, and reviews performance annually.
13. The Council reviews audit outcomes annually.
14. The Council approves the three-year estates/capital investment strategy.
15. The Council approves the three-year IT strategy.

Delegation

Council members normally serve on a part-time basis. To the extent permitted by the Council's Charter and the Science and Technology Act 1965, responsibility for day-to-day management matters should be delegated to the Chief Executive and his/her staff to the maximum extent practicable within a clearly understood framework of strategic control.

Council should consider mechanisms for determining those matters delegated to staff and those matters reserved for decision by Council itself. The latter is likely to include issues of corporate strategy, key strategic objectives and targets, major decisions involving the use of financial and other resources, and personnel issues including key appointments and standards of conduct.

The Council may delegate responsibility for specified matters to individual members, or sub-committees. Care must be taken to ensure that delegations do not in any way dilute the ultimate accountability of the Council for actions undertaken by individual members, sub-committees or the staff of the Council. Where delegation takes place, decisions taken by individual members or subcommittees of Council under delegated powers should be properly documented and recorded in written minutes available to Council.

E. RESPONSIBILITIES OF INDIVIDUAL COUNCIL MEMBERS

Individual Council members should be aware of their wider responsibilities as members of Council. Like others who serve the public, they should follow the Seven Principles of Public Life as set out by the Committee on Standards in Public Life (The Nolan Committee). These principles are set out at [Annex 1](#).

Council members should ensure that they understand fully the terms of their appointment, and their duties and responsibilities.

Council members have a duty to bring an independent judgement to bear on all issues considered by the Council. They must undertake on appointment to comply at all times with this Code of Practice and with rules relating to the use of public funds, and act in good faith and at all times in the best interests of the MRC.

Council members may, on occasion, be invited to give evidence to Select Committees. Guidance for non-executive members of NDPBs giving evidence to Select Committees is at [Annex 3](#).

The arrangements for appointing individual Council members normally make it possible to remove him or her from office if he or she fails to perform the duties required of a Council member to the standards expected of persons who hold public office.

Gifts and Hospitality

Members should not use their official position to accept, agree to accept or attempt to obtain any payment or benefit from a third party for doing or not doing anything, or showing favour or disfavour to anyone.

In relation to their work for Council, members must adhere to Council's rules on accepting gifts and hospitality. Provided it is clear that gifts and hospitality are not accepted in return for any action, or inaction, members may accept:

- gifts of a trivial character or inexpensive seasonal gifts;
- conventional hospitality in the course of business visits or relationships provided they are normal and reasonable in the circumstances.

Gifts and hospitality and gifts worth more than £30 received in connection with Council business should be recorded and notified to the relevant Secretariat staff, who will record details of the gift offered, the name of the member involved and the approximate value.

Personal liability of Council members

Although any legal proceedings initiated by a third party are likely to be brought against MRC, in exceptional cases proceedings (civil, or in certain cases criminal) may be brought against the Chair or individual members. For example, a Council member may be personally liable if he or she makes a fraudulent or negligent statement which results in a loss to a third party. Council members should be aware that anyone misusing information gained by virtue of their position on Council might be liable for breach of confidence under common law, or may commit a criminal offence under insider dealing legislation.

The Government has indicated that individual members who have acted honestly, reasonably and in good faith will not have to meet out of their own resources any personal civil liability which is incurred in execution or purported execution of their Council functions, save where the individual has acted negligently or recklessly.

Council members who want further advice should consult the Council's Executive Director/ Chief Operative Officer.

Political activities

Council members are expected not to occupy paid party political posts, nor to hold particularly sensitive or high-profile unpaid roles in a political party³. Subject to that members are free to engage in political activities, provided that they remain conscious of their general public responsibilities, and exercise a proper discretion in regard to the work of MRC. Members should not make political speeches, but this should not prevent members who have special expertise from commenting on, or advising on, policy issues relating to health or scientific research, in a personal or professional capacity. The Chief Executive or his/her staff should be consulted if there is any doubt, or if the issue is contentious or sensitive and bears directly on MRC's mission.

³ These restrictions do not apply to Council members who are MPs (in cases where MPs are eligible to be appointed), local councillors, or Peers, in relation to their conduct in the House of Lords (see Annex 4 to Guidance on Codes of Practice for Board Members of Public Authorities).

F. HANDLING CONFLICTS OF INTEREST

The high standards of integrity expected by the public and Parliament, and the proper conduct of public business require the Chairman and members of Council to avoid situations in which their duties and other interests conflict or where there could be a suspicion of conflict.

Council members must not misuse information gained in the course of their work for MRC for personal gain or for political purpose, nor seek to use the opportunity of public service to promote their private interests, or those of connected organisations, persons, or firms.

To avoid any danger of Council members being influenced, or appearing to be influenced, by their private interests in the exercise of their public duties, all members should declare any personal or business interest which may, or may be perceived to, influence their judgement or conflict with their public duties on behalf of the MRC. This should include, as a minimum, personal direct or indirect pecuniary interests, and should normally also include such interests of close family members and of people living in the same household. The MRC's full Policy on Declarations of Interest is attached at [Annex 2](#).

In the context of Council business a conflict of interest might stem from:

- Close links with, or an interest in, a particular institution from which a grant or other funding application is being considered.
- A commercial or pecuniary interest in any matter under consideration.
- A personal or family interest in any issue under consideration.

All members of Council will be required, on taking up their appointments, to declare any private, professional or commercial interests that might conceivably conflict with the interests of the Council, or which might be perceived by others as creating a conflict of interest. Members also have a responsibility to notify the Office of changes in their own interests, as these occur. Such interests will include company appointments, directorships, consultancies and honorary appointments. These interests will be registered centrally and updated annually and will be open for public inspection. Council should also facilitate compliance with the need, under Financial Reporting Standard 8, for material transactions with related parties (organisations, relatives, etc) to be disclosed in financial statements.

Before each meeting of Council (or one of its Subcommittees), the Chairman will be briefed by the Office on any potential conflicts of interest that might be generated by items on the agenda, based on the register of interests. In addition, members themselves have a responsibility to declare as soon as practical before the start of a meeting if they have an interest in a matter being considered. At the beginning of each agenda item, the Chairman will draw attention to any potential conflicts of interest and invite the Council or Committee to agree what action to take (e.g. a member with a conflict of interest should be required to leave the meeting for that item). If the Chairman has a conflict of interest he will withdraw and the Deputy will chair for the item. In the case of studentships, grant or other funding applications, it will be considered normal practice for any member whose own application is under consideration or who is from the same department as the applicant, to be asked to withdraw from the meeting for that item. Where scoring, banding or ranking is routine practice, that member will not contribute to recommendations or decisions affecting the application.

Whilst a conflict of interest does not necessarily apply in the case of a member from a different department in the applicant's university, it will still be a matter to be drawn to the Council's or Committee's attention and for the Chairman to decide what action to take. Members will also be expected to declare at meetings any interest that may be perceived as conflicting (e.g. where the applicant is a close scientific collaborator) and which are not identified by the Chairman.

The minutes of a meeting will record decisions about conflicts of interests, any withdrawals for particular items and the reason for these withdrawals. It is the responsibility of the Chairman to ensure that this procedure is followed.

G. OPENNESS, ACCOUNTABILITY AND RESPONSIVENESS

Council and MRC staff should conduct all of their dealings with the public in an open and responsible way, and ensure full compliance with the Freedom of Information Act 2000 and other guidance and advice on openness and transparency published from time to time by the Ministry of Justice and the Information Commissioner.

Council should ensure that it can demonstrate that it is using resources to good effect, with propriety, and without grounds for criticism that public funds are being used for private, partisan, or political purposes. Council should act consistently with regard to the nature of the MRC's business, including the need for confidentiality on commercial or other grounds, but always subject to the rights of Parliament and the Comptroller & Auditor General to obtain information.

Council should ensure that a well publicised and easy-to-use complaints procedure is in place which covers both maladministration and appeals against decisions to withhold information.

Council is expected to make publicly available its annual reports, and where practical and appropriate, to hold open meetings, release summary reports of meetings, and invite evidence from members of the public on matters of public concern. Council should seek to follow best practice in making available information to the public, particularly through the web, working with other bodies as appropriate to place relevant information in the public domain. Council should aim to consult its users on a wide range of issues by means of questionnaires, public meetings and other forms of consultation, proportionate to its size and resources.

Confidentiality

Despite the importance for openness regarding the activities of MRC and the key decisions it takes, and the statutory provisions of the FOI Act 2000, Council's deliberations and decision-making are themselves confidential, to allow free and frank expression of opinions; to protect the confidence of referees and individuals; and to avoid premature disclosure of intentions.

All Council papers and correspondence must be treated in confidence. The 'PROTECT-MANAGEMENT' marking on all papers means that although the contents may be discussed with colleagues as necessary, this should be done with utmost discretion on the part of the recipient of the papers. When, exceptionally, a higher classification is necessary, special circulation arrangements will normally be made. Members of Council must respect such classification.

Council members should observe the requirement for confidentiality and are asked to secure papers that come to them in their official capacity and, when their term of office has come to an end, to make sure that all papers are returned to Head Office or destroyed.

Communication of decisions

Only the Chairman or Chief Executive of Council, or those members of staff authorised to act on their behalf, may communicate decisions taken either by the Council or a Board, on Council's behalf. In reporting Council business they will take special care to keep confidential any part played in discussion by individual members, to maintain the convention that any decision is the collective responsibility of the whole Council or Board, and to safeguard the anonymity of any referees. Members should resist any request for information or for explanation of how a particular decision was reached. All Council discussions should therefore be treated in confidence and any such requests referred to the Chief Executive.

Exceptionally, a member may be invited by the Board to give specific guidance or advice to an applicant, but all Board and Council members are expected to resist any other requests for information or for explanation of how a particular decision was reached. Strategy and spokespersons for wider communication of Council or Board decisions – for example to the media – will normally be agreed at the meeting.

Members are reminded that Council often has formal obligations to inform or consult with unions and staff associations, and this relationship could easily be prejudiced if information came to members of the unions or associations through other channels.

Accountability for public funds

Members of Council have a duty to ensure that public funds received by Council which for this purpose should be taken to include all forms of receipts for fees, charges and other sources are properly safeguarded. They should ensure that, at all times, MRC conducts its operations economically, efficiently and effectively as possible, with full regard to the Charter and relevant statutory provisions, and to relevant guidance in Government Financial Reporting Manual.

Members of Council are responsible for ensuring that Council does not exceed its power or functions, whether defined in statute or otherwise, or through any limitations on its authority to incur expenditure. Members are normally advised on these matters by the Chief Executive and the Chief Operating Officer.

Annual Report and Accounts

As part of its responsibilities for the stewardship of public funds, Council must ensure that it provides a full statement of its use of public funds in its Annual Report and Accounts. Such accounts should be prepared in accordance with the Accounts Direction issued by the Secretary of State, and such other guidance as may be issued, from time to time, by BIS and the Treasury, including the annually-updated publication, Government Financial Reporting Manual.

The Annual Report should provide a description of the Council's activities, state the extent to which agreed strategic objectives and agreed financial and other targets have been met. It should state whether the report on the Annual Accounts was qualified and provide details if this was the case. Council should aim to produce an Annual Report and Accounts as a single document.⁴

The Annual Report will list the names of the current members of the Council and senior staff; and provide details of remuneration to senior staff in accordance with Treasury guidance. The report will also provide information on access to registers of interests.

⁴ If the Annual Report is published separately from the Accounts, it should normally contain at least a summary of the Account and in any case give details of how to obtain the full Accounts. A statement by the auditors should be included to confirm that it is consistent with the full Accounts.

Audit Committee

Council is expected to ensure that an Audit Committee is in place as a sub-committee to oversee Council's arrangements for internal audit. In most cases it will be appropriate for this Committee to be chaired by a member of the Council, other than the Chairman, who has experience of financial matters. The Audit Committee should meet regularly, and report to Council on the adequacy of its internal financial control systems and any major issues raised by the external auditors. The Chief Executive, in his role as Accounting Officer, will normally attend all meetings of the Audit Committee unless, exceptionally, his or her own performance is being discussed.

H. ROLE OF THE CHIEF EXECUTIVE

The Chief Executive has responsibility, under Council, for the overall direction, organisation, management and staffing of MRC, and for its procedures in financial and other matters, including conduct and discipline. This involves the promotion by leadership and example of the values embodied in the Nolan Committee's Seven Principles of Public Life. Council members should support the Chief Executive in undertaking this responsibility.

The Permanent Secretary, BIS has designated the Chief Executive as the Council's Accounting Officer. In this he/she is responsible to Parliament, and the Accounting Officer of BIS for the resources under his/her control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which he/she is answerable; for the keeping of proper accounts; for prudent and economical use of all resources in his/her charge.

The Chief Executive has a duty to ensure that financial considerations are taken into account at all stages by Council in framing decisions and their execution and has a particular responsibility to see that appropriate advice is tendered to Council on all matters of financial propriety and regularity. Where Council is contemplating a course of action which would infringe these requirements, the Chief Executive should inform Council in writing if its decisions conflict with his/her duties as Accounting Officer and inform the BIS' Accounting Officer immediately.

More detailed guidance on the role of the Accounting Officer is set out in The Responsibilities of a NDPB Accounting Officer which covers appearances before the Committee of Public Accounts. The Treasury handbook Regularity and Propriety expands on these principles.

I. THE COUNCIL AS EMPLOYER

Council should ensure that it complies with all relevant employment legislation, employs suitably qualified staff – for example in key areas such as finance - who will discharge their responsibilities in accordance with the high standards expected of all staff employed by public bodies, and that all staff understand the Council's main aims and objectives and its corporate strategy and the internal management and control systems that relate to their work. In filling senior staff appointments, the Council should satisfy itself that an adequate field of qualified candidates is considered, and should always consider the merits of full and open competition.

The Council should also ensure that its members, and the Council's staff, have access to expert advice and suitable training opportunities which they may require in order to exercise their responsibilities effectively, in line with wider Government commitments on training strategies.

The Council should ensure that its rules for the recruitment and management of staff provide for the appointment and advancement on merit, on the basis of equal opportunities for all applicants and staff.

Where the terms and conditions of employment of members of staff include an entitlement to be considered for performance-related pay, and where such payments are assessed by Council members, the Council should satisfy themselves that they have access to the relevant information and advice required to make the necessary judgements.

The Council should ensure that the organisation adopts a code of conduct for its staff⁵, and also guidance on employment matters⁶ which encourages propriety and the adoption of management practices that use resources in the most economical, efficient and effective manner. The guidance should also cover arrangements enabling staff to raise concerns about propriety with a nominated official or Council member in the first instance, and if necessary with a nominated official in BIS. The Code should contain safeguards to prevent conflicts of interest when staff leave the MRC.

J. REFERENCES

Hard copies of all reference documents are available from the Corporate Affairs Group. Web links are given where these are available:

1. MRC Charter - www.mrc.ac.uk/Utilities/Documentrecord/index.htm?d=MRC002423
2. Science and Technology Act 1965 – www.opsi.gov.uk/RevisedStatutes/Acts/ukpga/1965/cukpga_19650004_en_1
3. Freedom of Information Act 2000 - www.opsi.gov.uk/acts/acts2000/20000036.htm
4. MRC Management Statement and Financial Memorandum – www.mrc.ac.uk/consumption/groups/public/documents/content/mrc003728.pdf; www.mrc.ac.uk/Utilities/Documentrecord/index.htm?d=MRC003907
5. Framework for Sustainable Development - www.defra.gov.uk/sustainable/government/publications/uk-strategy/framework-for-sd.htm
6. Public Bodies- a guide for Departments: www.civilservice.gov.uk/about/resources/public-bodies.aspx
7. Government Financial Reporting Manual - www.hm-treasury.gov.uk/frem_index.htm
8. Regularity & Propriety, including the responsibilities of a NDPB Accounting Officer – www.hm-treasury.gov.uk/psr_governance_valueformoney.htm
9. Guidance on Codes of practice for Board Members of Public Bodies – www.civilservice.gov.uk/Assets/exec_adv_codes_practice_23oct04_tcm6-2440.pdf

Original approved by the Chairman of the Medical Research Council

Sir Anthony Cleaver
27 July 2005

Revised version approved by the Chairman of the Medical Research Council

Sir John Chisholm
03 March 2010

Annexes

Annex 1 – The Seven Principles of Public Life

Annex 2 – The MRC’s Policy on Declarations of Interest

Annex 3 – Guidance for Council members giving evidence to Select Committees

⁵ MRC code of conduct which is available to staff on the MRC portal

⁶ [Guidance on employment matters for managers and all MRC employees](#), available to staff on the MRC portal

Annex 1

The Seven Principles of Public Life

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Annex 2

MRC Policy on Declaration of Interests

Introduction

1. In conjunction with the Code of Practice for members of Council and MRC Boards, this policy sets out principles for minimising and managing potential conflicts of interest for those involved in MRC business (including research assessment, funding decisions, policy and other decisions).
2. In setting out its policy on declarations of interest, MRC aims to achieve effective management of conflicts of interest without over-prescriptive regulation.
3. Like others who serve the public, individuals working for/with the MRC should follow the Seven Principles of Public Life as set out by the Committee on Standards in Public Life (The Nolan Committee). They should understand fully their terms of appointment, duties and responsibilities, through induction and/or via guidance notes.

Objectives of the policy

4. To ensure best practice by:
 - Ensuring that those individuals covered by the policy make decisions free from bias;
 - Guarding against conflicts of interest that may arise as a result of the positions held by individuals;
 - Protecting the MRC and those individuals covered by the policy against impropriety, or the appearance of impropriety, including reputation risk.

Individuals covered by the policy

5. All who advise and make judgments on MRC business and/or members of MRC bodies (e.g. Council, Council Subgroups, Boards, Strategy Development Group, Committees, Subcommittee Peer Review Panel members, and Panels). Members of the MRC's College of Experts have separate guidance.

How to declare interests

6. On appointment to an MRC body individuals will be asked to read and comply with this policy and complete a Declaration of Interests form.
7. Any changes to circumstances or new interests should be declared to the office as soon as practicably possible. Individuals will be asked to complete and sign a new Declaration of Interests form.
8. Declarations may also need to be made during meetings (see para 18-21 below).

Declaration of Interests

9. Individuals involved in MRC business are required, by common law, to declare any private, professional, political, commercial, academic or other interest that may conflict with MRC interests, or which might be seen by reasonable members of the public to influence or bias judgment when discussing or reaching decisions.
10. Only current interests need be declared, but it is possible that on occasion a past interest will or could influence present behaviour, in which case such an interest also needs to be declared.

11. It is impossible to prescribe a comprehensive set of rules on interests. Individuals are best placed to know their duties with the Council and with other bodies, and where these might conflict. If in doubt, individuals should discuss issues with the Chair or Secretariat.
12. Current Cabinet Office guidance does not require that all outside associations be declared, only those which relate to the activities of Council (i.e. medical, bio-medical, pharmaceutical, healthcare provision and similar activities) and which members of the public might reasonably think could influence or bias individuals judgment when assessing, discussing and/or reaching decisions on MRC business (see below).
13. Conflicts of interest may arise from:
 - Close links with, or interest in, a particular Institution from which a grant or other funding application is being considered (e.g. employment or academic collaborations);
 - A commercial or pecuniary interest in an organisation or issue which comes before Council/Board/Committee/Panel e.g. where a member or an organisation with which an individual is involved may benefit financially, directly or indirectly, from a decision made;
 - A non-pecuniary interest where a member has other interests that might be thought to influence them, either wittingly or unwittingly in the matter under discussion;
 - Personal or family interest in an organisation or issue which comes before Council/Board/Committee/Panel with regard to both pecuniary (from connections with bodies which have a direct financial interest, or from being a business partner, or being employed by a person with such an interest) and non-pecuniary (any benefit or favour "in kind" including arising from membership of clubs or other organisations) interests. Family interests should encompass immediate family or household (i.e. personal partners, parents, children [adult or minor], brothers, sisters and the personal partners of these). Individuals should declare any known interest; they do not have to make any special request for this information from family members, but they must declare the interest once they become aware of it. In declaring a family interest, individuals do not need to identify (i.e. name) the family member.
14. Further guidelines on declaring interests outlined above are available with the declaration of interest forms. (See form and guidance notes at www.mrc.ac.uk/About/WorkingfortheMRC/Codeofconduct/DoI).

Resolution of declarations of interest

15. For individuals who are members of MRC bodies - potential conflicts of interest highlighted by declarations of interest will normally be resolved through the individual concerned not participating in the relevant discussions and in any subsequent decisions, and having restricted access to information. The Office Secretariat will identify possible individual conflicts of interests on papers prepared for MRC meetings and take necessary steps to ensure appropriate restricted access to documents.

Declarations of interest at meetings

16. All known potential conflicts of interest are recorded by office staff on the cover paper for each item of business discussed at Council /Board/Committee /Panel meetings. Members are also required to declare any other interests at the meeting if these have been omitted from the paper or become apparent at the meeting.

17. The Chair will advise on action to be taken to resolve any conflict of interest which becomes apparent at a meeting. Depending on the nature and degree of interest, the Chair will decide whether the individual should leave the room for a particular item, or remain but take no part in the discussion.
18. Council/Board/Committee/Panel Members are required to be vigilant in raising any conflicts as soon as they become aware of them so that appropriate action can be taken to manage this. If there is any doubt, members should consult with the Chair or the Office for advice.
19. Actions taken in relation to declarations of interest will be recorded in the minutes. Raising concerns about the conflicts of interests of other individuals.
20. An individual who is concerned about another individual's potential or actual conflicts of interest should raise the issues with the Chair or secretariat (in private, if possible). This includes issues concerning MRC staff. Acceptance of outside appointments during tenure as a Council/Council Subcommittee/Board/Committee member
21. Council/Council Subcommittee/Board/Committee/Panel Members need to adopt safeguards to prevent conflicts arising from accepting outside appointments/consultancies/membership of organisations etc. during tenure as a Council/Board/Committee/Panel member. If in doubt, members should consult the Chair or the Office (see below for contact details).

Publishing and Updating Declarations of Interest

22. Declarations of Interest for Council, Council Subgroup, Board, Committee and Panel Members are published on the MRC website as a "Register". Cabinet Office guidance for members of public bodies states that interests must be declared. The register needs to be made publicly available and the MRC Publication Scheme states that the current session's register will be published on the web each October. Copies are available from the Secretariat (contact details below). It is therefore vital that members contact MRC Head Office about any changes as they occur to ensure the published information is as accurate as possible.
23. Family interests will be displayed on the web as "family".
24. When a declared interest ceases to be relevant, members need to inform the Office so that it can be removed from the Register.
25. The MRC Declaration of Interest Register is updated annually at the start of each session (April of each year). For the record, a copy of each version of the Register will be retained by the Office (and the dates on which it applied) and retained in line with the MRC's retention and disposal policy for records.

Review

26. This policy will be reviewed every year.
27. Last Review – January 2010.

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Annex 3

EVIDENCE TO SELECT COMMITTEES

1. Departmental Select Committees have an important role in examining the expenditure, administration and policies of NDPBs. The Government fully supports this role. Lords Committees and other Committees may also seek evidence from NDPBs from time to time.
2. NDPB Board members may, on occasion, be invited to give evidence to Select Committees. When they do so, they should be as helpful as possible in providing accurate, truthful and full information refusing to provide information only when disclosure would not be in the public interest. This should be decided in accordance with the relevant statutes and the Freedom of Information legislation. Board members should bear in mind in this context the need to respect legitimate Board confidences.
3. Before giving evidence, Board members may find it helpful to see Departmental Evidence and Response to Select Committees (also known as the Osmotherly Rules). This gives general advice on dealing with Select Committees including their powers to summon witnesses and papers and responses to Select Committee reports. Copies are available from the Propriety and Ethics team in the Cabinet Office on 020-7276-2474 or it can be accessed at www.cabinetoffice.gov.uk/propriety_and_ethics/civil_service/osmotherly_rules/2.aspx
4. Similarly, the Chief Executive of an NDPB may be called, as an Accounting Officer, to give evidence to the Public Accounts Committee (PAC). Guidance on giving evidence to the PAC is set out in the Accounting Officer Memorandum which can be obtained from the Treasury Officer of Accounts.
5. Board members wishing to give evidence should, as a matter of courtesy, advise their Chairman and colleagues on the NDPB Board and its sponsoring department of their intention. They should discuss with them the handling of any oral or written evidence they want to submit and whether they expect to be giving evidence on behalf of the NDPB or in a personal capacity. The Select Committee should be advised of the status of the witness.
6. Subject only to a Committee's power to decide to require the attendance of a witness, the decision on whether to give evidence is solely for the individual concerned. There must be no pressure placed on individuals to deter them, or action taken against them as a consequence of giving evidence to a Select Committee. Any such actions might be regarded as contempt of the House, with potentially serious consequences for those involved.