

# Code of conduct for board members of the Marine Management Organisation

Updated June 2010

## Contents

1. Introduction.....	1
2. Public service values .....	1
3. Relationship with Defra.....	1
4. Role and duties of the Board .....	1
5. The role of the Chair.....	2
6. Board members' roles and responsibilities .....	3
7. Responsibilities of individual board members.....	3
8. Declaration of interests.....	4
9. Gifts and hospitality .....	4
10. Personal liability of board members .....	5
11. Openness and responsiveness.....	5
12. Accountability for public funds.....	5
13. Annual report and accounts .....	5
14. Audit committees .....	6
15. The Board as employer.....	6
16. Failure to observe the code of conduct .....	6
Annex A: The Seven Principles of Public Life .....	7
Annex B: Declarations of interests .....	8
Annex C: Form for registering interests .....	9
Annex D: Evidence to select committees.....	11

## 1. Introduction

The Marine Management Organisation (MMO) was established by the Marine and Coastal Act 2009 on 12 November 2009 as an executive non-departmental public body (NDPB). It is an independent body which carries out its functions on the bases of evidence-led decision-making, technical expertise, impartiality and transparency.

It is the Government's strategic delivery partner for a number of policy areas within government departments. Consequently a cross-government sponsorship group provides strategic guidance to the government policy framework and delivery requirements that the MMO is expected to fulfil. The MMO is accountable to the Secretary of State for Environment, Food and Rural Affairs, who is in turn accountable to Parliament.

The Chair of the MMO is appointed by the Secretary of State for Environment, Food and Rural Affairs. Board members are appointed by the Secretary of State after consultation with the Chair of the MMO.

This code of conduct sets out the personal standards and exemplary level of probity that board members of the MMO are expected to meet. They are reinforced and supplemented by additional guidance and instructions issued by the Chair.

This code of conduct should be read in conjunction with the key corporate documentation for the MMO – the Framework Document, Corporate Plan, Business Plan, Government Service Level Agreement and any statutory guidance issued to the MMO. These documents are available from [www.marinemanagement.org.uk/about/publications.htm](http://www.marinemanagement.org.uk/about/publications.htm)

## 2. Public service values

Board members of the Marine Management Organisation (MMO) must at all times:

- observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the MMO
- maximise value for money through ensuring that services are delivered in the most economical, efficient and effective way, within available resources, and with independent validation of performance achieved wherever practicable
- be accountable to Parliament, users of services, individual citizens and staff for the activities of the MMO, their stewardship of public funds and the extent to which key performance targets and objectives have been met
- act in accordance with government policy on openness and responsiveness, and comply fully with the Freedom of Information Act 2000.

## 3. Relationship with Defra

The Secretary of State for Environment Food and Rural Affairs is answerable to Parliament for the policies and performance of the MMO, including their use of resources and the policy framework within which they operate. The respective roles of Defra and the MMO are set out in the Framework Document.

## 4. Role and duties of the Board

The duties of the MMO are set out in the Marine and Coastal Access Act 2009. The Board of the MMO has collective responsibility to:

- provide strategic direction and leadership to the organisation, drive performance and hold the MMO to account against its strategic and corporate plans
- ensure propriety, regularity, economy, efficiency and effectiveness in the operation of the MMO
- ensure that the MMO discharges its statutory duties within the framework specified by ministers
- have a good understanding of the work of the MMO and its stakeholders
- work co-operatively and builds relationships with the executive and key stakeholders, and represent the organisation at a senior level
- provide stewardship for the public funds entrusted to the organisation.

In more detail, the Board should:

- ensure that the Secretary of State is kept informed of any changes which are likely to impact on the strategic direction of the MMO or on the attainability of its targets, and determine the steps needed to deal with such changes
- demonstrate high standards of corporate governance at all times, operate within the limits of its statutory authority and any delegated authority agreed with the sponsor departments, and in accordance with any other conditions relating to the use of public funds (including taking into account guidance issued by the sponsor departments) and generally provide stewardship for the public funds entrusted to the MMO
- ensure effective arrangements are in place to provide assurance on operational and strategic risk management, governance and internal control
- appoint with the Secretary of State's approval, a Chief Executive and, in consultation with the Sponsorship Group, set performance objectives for the Chief Executive which give due weight to the proper management, use and utilisation of public resources
- work co-operatively and build relationships with the executive and key stakeholders, and represent the MMO at a senior level
- assist the Chair in his representative role, particularly at a regional level.

## **5. The role of the Chair**

The MMO Chair has particular responsibility for providing effective strategic leadership on matters such as:

- formulating the Board's strategy for discharging its statutory duties
- encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the organisation
- ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible minister
- representing the views of the Board to the general public
- ensuring the Board undertakes an annual self-assessment of the Board's performance
- providing an assessment of the performance of individual Board members on an annual basis, and on request, when they are being considered for re-appointment to the Board or for appointment to the Board of some other public body.

The Chair should ensure that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual board members.

The Chair should ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities and have a good understanding of the government's policy framework for the marine environment.

## **6. Board members' roles and responsibilities**

Members have responsibility for ensuring that the MMO complies with any statutory or administrative requirements for the use of public funds. Other important responsibilities include:

- ensuring that high standards of corporate governance are observed at all times
- establishing the overall strategic direction of the MMO within the policy and resources framework agreed with the Secretary of State
- ensuring that the Board operates within the limits of its statutory authority and any delegated authority agreed with Defra, and in accordance with any other conditions relating to the use of public funds
- ensuring that, in reaching decisions, the Board had taken into account any guidance issued by the sponsor department
- formulating a strategy for implementing the Freedom of Information Act 2000, including prompt responses to public requests for information, and meeting other requirements for openness and responsiveness
- ensuring that the Board operates sound environmental policies and practices in accordance with government policy
- taking advice from the MMO Chief Scientific Advisor and taking into account guidance derived from the Scientific Advisory Group
- determining the ethos, working culture and measures of success which underpin MMO activity
- ensuring that operational and resource risks are managed and lead to reasonable outcomes.

## **7. Responsibilities of individual board members**

Individual board members should follow the Seven Principles of Public Life set out by the Committee on Standards in Public Life (at [Annex A](#)). Board members must:

- undertake on appointment to comply at all times with the MMO Code of Conduct and with rules relating to the use of public funds
- act in good faith and in the best interests of the MMO
- not misuse information gained in the course of their public service 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 persons, firms, businesses or other organisations; and to declare publicly any private interests which may be perceived to conflict with their public duties
- ensure that they comply with the Board's rules on the acceptance of gifts and hospitality.

Board members are responsible for maintaining the confidentiality of any of the MMO's data or information they handle.

Board members should get prior approval of the Chair before making public statements (including statements to the media) on behalf of the Board on controversial or high profile issues or on areas of operational policy not yet agreed by the whole Board.

Board members, whether full or part-time, are expected not to occupy paid party political posts or hold particularly sensitive or high-profile unpaid roles in a political party. Subject to that, part-time members are free to engage in political activities, provided that they are conscious of their general public responsibilities and exercise a proper discretion, particularly in regard to the work of the

boards of which they are members. On matters directly affecting that work, they should not make political speeches or engage in other political activities. Full-time members of boards should abstain from all controversial political activities.

## **8. Declaration of interests**

The Chair and other board members should declare any personal or business interests which may conflict with their responsibilities as board members.

All personal or business interest which may or, in the judgement of the member, may be perceived by a reasonable member of the public to influence their judgement should be declared. A guide to the categories of interest which must be declared is at [Annex B](#).

On appointment board members are required to complete a register of members' interests. There is no lower threshold for declaration of direct and indirect interests, including shareholdings. All current interests should be declared in each of the categories set out in [Annex B](#). Members should inform the Secretariat as soon as is practicable of any changes in their interests and, in any event, members will be required to complete a form (at [Annex C](#)) declaring their direct and indirect interests once a year. This register is maintained by the MMO Board Secretariat.

The register of interests will:

- be available at every meeting of the Board
- be published on the MMO's website and in its Annual Report, with copies available from the Secretariat on request.

Members must declare their relevant interests in issues to be discussed at formal meetings of the Board. The interest should be declared in advance of the meeting, and again prior to discussion of the relevant agenda item at the meeting. After members have fully explained the nature of their interests the Chair and remaining board members will decide whether and to what extent the member should participate in the discussion and determination of the issue. If it is decided that the member should leave the meeting, the Chair and remaining board members may first allow them to make a statement on the item under discussion. Where the Chair has a relevant interest and leaves the meeting, an elected board member will chair the discussion of the relevant agenda item.

Where, in accordance with the above, members do not participate in the discussion or determination of a matter, they should normally withdraw from the meeting.

Members should also disclose any interests of which they are aware on the part of close family members and persons living in the same households as the board member. In addition, board members should consider whether they need to disclose relevant interests of other persons or organisations which members of the public might reasonably think could influence the member's judgement.

## **9. Gifts and hospitality**

Members are expected to observe the same standards as those required of civil servants in respect of gifts and hospitality. Members should not accept or offer a gift, hospitality or some other benefit as a reward, either for doing or not doing something in their official capacity, or for showing advantage to someone or to an organisation. Gifts of cash should always be refused.

Isolated gifts of a trivial nature or minor seasonal items such as calendars or diaries may be accepted. Offers of conventional hospitality (such as a working lunch, working dinner or refreshments during meetings) may be accepted from individuals and organisations external to the MMO where it is normal and reasonable in the circumstances. However such hospitality, where accepted, must be registered if its nominal value exceeds the limit in the following paragraph.

The Operational Support Directorate will keep a register of all gifts and hospitality with a nominal value exceeding £10 that are received by board members or officials in the course of their official duties as a member/official of the MMO. If members are in any doubt of the likely value of the gift or hospitality received, details should be provided for inclusion in the register.

## **10. Personal liability of board members**

Board members who misuse information gained by virtue of their position may be liable for breach of confidence under common law or may commit a criminal offence under insider dealing legislation.

## **11. Openness and responsiveness**

Board members and their staff should conduct all their dealings with the public in an open and responsible way. They must make publicly available annual reports, and, where practical and appropriate, should hold open meetings, release summary reports of meetings, and invite evidence from members of the public on matters of public concern. The MMO should adhere to the nine principles of public service delivery.

Board members should ensure they can demonstrate that they are using resources to good effect, with propriety, and without grounds for criticism that public funds are being used for private, partisan or party political purposes. They will need to act consistently with the nature of the MMO's business and the possible need for confidentiality on commercial or other grounds, always subject to the rights of Parliament and the Comptroller and Auditor General to obtain information.

## **12. Accountability for public funds**

Board members have a duty to ensure the safeguarding of public funds – which for this purpose should be taken to include all forms of receipts from fees, charges and other sources – and the proper custody of assets which have been publicly funded. They must take appropriate measures to ensure that the MMO at all times conducts its operations as economically, efficiently and effectively as possible, with full regard to the relevant statutory provisions and to relevant guidance in government accounting.

Members are responsible for ensuring that the MMO does not exceed its powers or functions, whether defined in statute or otherwise, or through any limitations on its authority to incur expenditure.

## **13. Annual report and accounts**

As part of its responsibilities for the stewardship of public funds, the Board of the MMO must ensure that it includes a full statement of the use of such resources 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 Defra and the Treasury, including the Government Financial Reporting Manual ([www.hm-treasury.gov.uk/frem\\_index.htm](http://www.hm-treasury.gov.uk/frem_index.htm)).

The Annual Report and Accounts should:

- provide a full description of the Board's activities
- state the extent to which key strategic objectives and agreed financial and other performance targets have been met
- list the names of the current members of the Board and senior staff
- provide details of remuneration of Board members and senior staff in accordance with Treasury guidance.

The Annual Report should contain information on access to registers of interests.

## **14. Audit committees**

The MMO will establish a risk and audit committee as a committee of the Board. The responsibilities of the risk and audit committee, chaired by a Board member with experience of financial matters, will overlap with those of the accounting officer. The Chief Executive, as principal accounting officer for the MMO, will normally attend all meetings of the risk and audit committee unless, exceptionally, his or her own performance is being discussed.

## **15. The Board as employer**

The Board should ensure that:

- it complies with all relevant legislation and that it employs suitably qualified staff who will discharge their responsibilities in accordance with the high standards expected of staff employed by such bodies. All staff should be familiar with the MMO's aim and objectives
- the MMO adopts management practices which use resources in the most economical, efficient and effective manner
- the MMO's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff. In filling senior staff appointments, the Board should satisfy itself that an adequate field of qualified candidates is considered, and should always consider the merits of full and open competition. In recruiting external candidates, this should normally be used.
- that its staff, and the Board's own members, have appropriate access to expert advice and training opportunities in order to enable them to exercise their responsibilities effectively.

The Board has a responsibility to monitor the performance of the Chief Executive and other senior staff. Where the terms and conditions of employment of the Chief Executive and other senior staff include an entitlement to be considered for performance-related pay, and where such payments are assessed by Board members, the Board should ensure that they have access to the information and advice required to make the necessary judgements.

## **16. Failure to observe the code of conduct**

Any member failing to perform the duties required of them in line with the general standards expected in public life or the specific provisions of this code, or being unfit to perform these duties, will be judged as failing to carry out the duties of their office. Such failure may result in their removal from office as set out in Schedule 1 of the Marine and Coastal Access Act 2009.

## **Annex A: 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 merits.

### **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 interests.

### **Leadership**

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

## **Annex B: Declarations of interests**

This annex provides guidance on the kinds of interests that should be declared. Interests are categorised as direct (interests from which members derive a direct benefit or which they are personally involved), or indirect (rewards or payments which benefit an organisation for which the member is responsible, is employed, or for which he/she benefits financially, but which is not received directly by the member).

Where members are uncertain as to whether an interest should be declared they should seek further guidance from the Secretariat or, where it may concern a particular issue or product to be considered at a meeting, from the Chair at that meeting.

If members have interests not specified in these notes but which they believe could be regarded as influencing their advice they should declare them. Members should make reasonable enquiries to determine links of which they might be expected to be aware, for example, either through the interests of close family members or links of direct ownership between one company and another. For the purposes of this code, "close family members" is taken to mean personal partners, parents, children, brothers, sisters and the personal partners of any of these.

### **Categories of direct interests include, but are not necessarily limited to:**

- **Consultancies and/or direct employment**  
Any consultancy, other employment, partnership, directorship or position in or work for an industry or other relevant bodies which attracts regular or occasional payments in cash, recognition in any other form, or derives any other benefit.
- **Fee-paid work**  
Any commissioned work for an industry or other relevant body for which the member is paid in cash or kind.
- **Shareholdings**  
Any shareholding or other beneficial interest in industry shares. This does not include shareholdings through unit trusts or similar arrangements where the member has no influence on financial management of the shares.
- **Clubs and other organisations**  
Any membership, role or affiliation to clubs or organisations with an interest or involvement in the work of the MMO.

### **Categories of indirect interests include, but are not necessarily limited to:**

- **Fellowships**  
The holding of a fellowship endowed by industry or other relevant body.
- **Support by industry or other relevant bodies**  
Any payment, other form of support or sponsorship which benefits an organisation in which he/she has an interest, for example, a grant or sponsorship of a post or programme, or payment for research or advice.
- **Trusteeships**  
Any investment in industry held by a charity for which a member is a trustee.

## Annex C: Form for registering interests

<b>Name:</b>		
<b>Direct interests</b>		
1	<b>Consultancies and/or direct employment</b> Any consultancy, other employment, partnership, directorship or position in or work for an industry or other relevant body held by you or a close family member and which attracts regular or occasional payments in cash, recognition in any other form, or other benefit.	
2	<b>Fee-paid work</b> Any commissioned or fee-paid work for which you or a close family member are paid in cash or kind by an industry or other relevant body.	
3	<b>Shareholdings</b> Any shareholding or other beneficial interest in industry shares that you or a close family member have (this does not include shareholdings through unit trusts or similar arrangements where you have no influence on financial management of the shares).	
4	<b>Clubs and other organisations</b> Any membership role or affiliation that you or a close family member have to clubs or organisations with an interest or involvement in the work of the MMO.	
5	<b>Other direct interests</b>	
<b>Indirect interests</b>		
6	<b>Fellowships</b> Any fellowship that you or a close family member holds and which is endowed by an industry or other relevant body.	
7	<b>Indirect support</b> Any payment or other form of support or sponsorship from industry or other relevant body that benefits an organisation in which you or a close family member has an interest (for example, a grant or sponsorship of an academic post).	
8	<b>Trusteeships</b>	

	Any investment in industry held by a charity for which you or a close family member is a trustee.	
9	<b>Land and property</b> Any land or property in which you or a close family member has a direct interest and is clearly within the MMO's sphere of activities.	
10	<b>Other public appointments</b> Membership by you or a close family member of local authorities, health authorities and trusts, and other relevant voluntary sector bodies.	
11	<b>Other indirect interests</b>	

Signed: ..... Date: .....

## Annex D: 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. MMO 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 Act 2000. 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/media/cabinetoffice/propriety\\_and\\_ethics/assets/osmotherly\\_rules.pdf](http://www.cabinetoffice.gov.uk/media/cabinetoffice/propriety_and_ethics/assets/osmotherly_rules.pdf)
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 Chair and colleagues on the MMO 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 MMO 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.