



**Isle of Man**  
**Government**

*Reilltys Ellan Vannin*



## Council of Ministers - Public Appointments

### Information Pack

Public Sector Pensions Authority

April 2024

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## **Public Notice**

### **Public Sector Pensions Authority**

The Council of Ministers is seeking to appoint a Chair to the Public Sector Pensions Authority. The closing date for applications is **23:59 on 10 May 2024**.

This is an opportunity to Chair a Board which directly advises the Council of Ministers on public sector pension scheme policy and is responsible for the governance and ongoing sustainability of the schemes. People and services are at the heart of this role, which involves facilitating close co-operation between politicians and staff representatives to develop future pension policy.

An information pack containing full details of the knowledge and skills required for this role is available at:

<https://www.gov.im/public-appointments>

Application forms can be completed and submitted electronically via this webpage. If you require a printed or accessible version of the pack, please contact the Cabinet Office on tel: 01624 685314 or email: [publicappointments@gov.im](mailto:publicappointments@gov.im)

## Recruitment Process

The application process for public appointments is fair, open and transparent with appointments being made on merit, based on a person's skills and experience. Members of the public are invited to review the details contained within this information pack relating to the Public Sector Pensions Authority and give consideration to the skills and experience required.

Interested applicants are invited to submit a completed application form which **must** be accompanied by a CV.

Applicants should state in their application how they satisfy each of the attributes of the Person Specification (see page 9). This could be in the form of a table following the format of the Person Specification.

**The closing date for receipt of applications is 23:59 on 10 May 2024.**

Applications can be completed and submitted electronically via the webpage:

[www.gov.im/public-appointments](http://www.gov.im/public-appointments)

Alternatively applications can be submitted via email to [publicappointments@gov.im](mailto:publicappointments@gov.im) or by post to the Cabinet Office, Government Office, Bucks Road, Douglas, Isle of Man, IM1 3PN.

**Please note that if you submitted an application form and CV for a previous appointment, it will still be necessary to submit all documentation with the application.**

The recruitment process is as follows:

- All applications received will be assessed against the person specification (see page 9)
- Shortlisting and interviews will be undertaken by the Minister for the Cabinet Office and the current Chair of PSPA.
- Short-listed applicants will be invited to attend an interview during July 2024.
- A recommendation of appointment will be made to the Council of Ministers
- The decision to appoint will be made by the Council of Ministers

### Further information

The appointment of a member to the Public Sector Pensions Authority will require the approval of the Council of Ministers. Applications will be processed by the Cabinet Office.

If you have any additional queries regarding the Public Sector Pensions Authority, please contact – Ms Kath Brondon, Chief Executive, PSPA on [kath.brondon@pspa.im](mailto:kath.brondon@pspa.im) or 01624 687023. More information on the PSPA and the work of the PSPA Board can be found on the PSPA website at [www.pspa.im](http://www.pspa.im)

### Registration for notification of forthcoming public appointments

Any person who wishes to be kept informed of forthcoming Council of Ministers public appointments, can register their details at [www.gov.im/public-appointments](http://www.gov.im/public-appointments) or via post to the Cabinet Office, Government Office, Bucks Road, Douglas, Isle of Man, IM1 3PN. Persons registered will receive notification of these appointments as soon as they are advertised.

## **Background Information**

The Public Sector Pensions Authority ('PSPA') is established by the Public Sector Pensions Act 2011. The PSPA is the body responsible for the administration and management of the Island's public sector pensions schemes, in accordance with the Act and is the principal adviser to the Council of Ministers on public service pension policy, funding and pension liabilities. The Board of the Public Sector Pensions Authority ('Board') is a Statutory Board of Tynwald, established under Section 5 of the Pensions Act 2011 ('the Act') and the Statutory Boards Act 1987.

This appointment is for the position of Chair to lead the PSPA Board.

The Chair will be responsible for the work of the PSPA at a strategic level and has the primary responsibility for ensuring that the Board meets its statutory duties via effective collaboration with the PSPA staff, IOM Government, external advisers and stakeholders.

The Chair must be able to:

- provide leadership to the Board;
- ensure that Members of the Board fulfil their duties and responsibilities in respect of the proper governance of public sector pension schemes; and
- support and work in partnership with the Chief Executive.

The Chair of the Board must hold either a legal qualification, or have related legal experience as the Council of Ministers considers appropriate and must not be a public sector employer nor a representative of public sector employees.

The term of appointment will be for a period of up to 5 years.

### **Functions of the Board**

As set out in the Act, The Board is responsible for the management and administration of public sector pension schemes, for advising Council of Ministers on pension policy relating to the schemes and other responsibilities that Council of Ministers may consider necessary or desirable, subject to the approval of Tynwald. The requirements and governance principles of a Statutory Board are set out in Part 6 of the Statutory Board Act 1987 and supplemented by the PSPA's Governance Statement.

### **Role of the Chair**

#### **1. Main Accountabilities**

- Manage the business of the Board and set its agenda, taking full account of the issues and the concerns of Board members. Ensure the agendas strike the right balance between performance and strategic issues.
- Ensure that members of the Board receive accurate, timely and clear information in particular about the Authority's performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Authority.
- Keep under review, with the Board, the general progress and long-term strategic development of the Authority.
- Manage the Board to ensure that sufficient time is allowed for discussion of complex or contentious pensions and related issues, where appropriate arranging for informal meetings beforehand to enable thorough preparation for the Board discussion. It is particularly

important that members of the Board have sufficient time to consider critical issues and are not faced with unrealistic deadlines for decision-making.

- Ensure that the Board is able to discharge its duties and comply with the appropriate statutory requirements that affect the responsibilities of the Authority.
- Consider and address the development needs of individual members of the Board as a whole, to maintain the necessary depth and breadth of knowledge and skills, and enhance the effectiveness of the Board as a team.
- Lead the Board in the monitoring and annual evaluation of the performance of the Authority.
- Establish a close relationship of trust with the Chief Executive, providing support and advice while respecting executive responsibility.
- Encourage active engagement by members of the Board.
- With the assistance of the Chief Executive, guide the Board in its consideration of and recommendations to Council of Ministers with regard to changes in pensions policy and strategy in relation to Isle of Man public service schemes.

## **2. Key Duties:**

- Lead and Chair the Public Sector Pensions Authority Board.
- Approve Board meeting papers.
- Ensure that discretions and decisions, whether taken between meetings or at meetings, are properly executed and attributed to any professional advice taken.
- Ensure that the Board has a proper appreciation of the views of all the stakeholders to the Scheme, predominantly its members, employers and its sponsor.
- Prepare for, attend and chair meetings at the time and frequency agreed by the Board, ensuring that:
  - Internal and external conduct requirements are observed.
  - Timetables are adhered to.
  - All Board members are encouraged to participate.
  - All Board members maintain their impartiality in relation to employment groups and act as a collective unit.
  - Confidentiality is observed and respected
- See that the Board's sub-committees (of which the Chair may be a member) carry out their work in accordance with agreed terms of reference, including reporting back with recommendations and that a suitable Board member sits on each committee.
- Liaise with the Chief Executive to ensure PSPA key statutory duties are met, in particular that:
  - The Scheme's annual accounts, returns and financial audit are completed in a timely fashion.
  - Actuarial and cost sharing reviews are undertaken within an agreed timescale and process.
  - The relevant authorities and delegations are in place to enable the day to day operations and administration of schemes to be undertaken in an efficient manner.
  - The split of responsibilities between the Chair and Chief Executive are clear and agreed.
  - Any potentially significant adverse events relating to Schemes are reported to the Board, and if appropriate referred to the Council of Ministers.

- Approve schemes of amendment for the superannuation of Isle of Man Public Servants for ongoing consideration by the Council of Ministers.
- Provide guidance and advice to the Chief Executive and Public Sector Pensions Authority Board as appropriate.
- Represent the views of Public Sector Pensions Authority Board in meetings and correspondence.
- Ensure the Council of Ministers is briefed regularly on the Board's work.
- Set terms of reference, approves the plans and monitors the performance of:
  - Public Sector Pensions Authority
  - Individual Isle of Man Public Sector Pension Schemes Governance Groups
  - Any other committee, group or team which the Authority considers appropriate
- Direct a committee to undertake a specific activity and/or reorder its priorities
- Deal with matters outside the authority of any committee but related to pension or superannuation schemes
- Rule on matters on which a committee has been unable to reach a decision by a substantial majority on a matter of principle, and/or where the Chair believes there is a matter of contention
- Appoint the Chair, Deputy Chair and members of the committees which report to it.

### **3. Governance**

- Comply with the Government Code and supplementary PSPA Governance Statement Appendix 1.
- Ensure that the PSPA's Compliance, Risk, Complaints and Conflicts registers are actively managed by the Board.

#### **Time commitment required**

The Board meet once a month. It is anticipated that the Chair will have regular informal contact and discussion with the Chief Executive between formal Board meetings equivalent to around 2 days per month in addition to the monthly Board meetings.

In addition, the Board may need to meet more frequently, particularly when schemes are being reviewed or amended, or new schemes are being made. Therefore, the Chair and Board members will need the ability to commit to attend additional meetings, and when necessary to allocate time between meetings.

#### **Remuneration**

The Chair of the Board is remunerated in accordance with the Payment of Members' Expenses Act 1989. The current rate is £8849 per annum

In accordance with the Payment of Members' Expenses (Travelling Allowances) Order 2022 the claimable mileage allowance for meeting attendance is:

Motor Vehicle	57p per mile
Motorcycle	30p per mile

## **Privacy Notice**

The Cabinet Office Privacy Notice can be found here: [www.gov.im/co-privacy](http://www.gov.im/co-privacy). Should you have any queries, contact the CO Data Protection Officer [DPO-CabOff@gov.im](mailto:DPO-CabOff@gov.im) (Tel: 686779)



## Person Specification

**The following specifications are essential:–**

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### **Qualifications**

- Must hold a legal qualification or have relevant legal experience.

### **Experience**

- Senior management experience in a relevant profession (legal, pensions, finance, human resources)
  - Experience of operating at Board level or equivalent in public or private sector
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### **Knowledge and skills**

- Leadership and delegation skills
  - Excellent communication and interpersonal skills
  - Capability to manage stakeholder relationships in a collaborative way
  - A broad understanding of the way in which Isle of Man Government operates
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### **Personal Qualities**

- Be resilient and remain calm and controlled under pressure
  - The highest standards of integrity and honesty in full compliance with the seven principles of public life
  - Recognising and dealing with conflict of interest situations
  - Be a high level influencer with the ability to build relationships with varied individuals including politicians, trade unions, members of the public and other bodies
  - Taking an active interest in the operation of the entity or organisation and the wellbeing of its staff and being a figurehead for the aims and ambitions of that entity
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### **Circumstances/Interests**

- To attend regular meetings and to allocate sufficient preparation time for scheduled meetings. There are times when a case is particularly complex when this may be a significant amount of time.

# Corporate Governance

## The seven principles underpinning public life

The [Government Code](#) details the seven principles of public life, which apply to any person holding a public appointment. The principles of public life are as follows:

- 1. 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 other friends.
- 2. 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.
- 3. 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.
- 4. 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.
- 5. 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.
- 6. 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.
- 7. Leadership**  
Holders of public office should promote and support these principles by leadership and example.

All candidates who put themselves forward for public appointment must be able to demonstrate their commitment to the principles and values of public service. It is important that the candidate's commitment to the probity principle is tested and assessed at interview. One of the issues which might arise in relation to this is that of conflict of interest.

Part 6 of the Government Code can be found at **Appendix 1**.

## **Conflicts of Interest**

### **What is a conflict of interest?**

Public Appointments require the highest standards of propriety, involving impartiality, integrity and objectivity, in relation to the stewardship of public funds and the oversight and management of all related activities. This means that any private, voluntary, charitable or political interest which might be material and relevant to the work of the Body concerned should be declared.

There is always the possibility for real or perceived conflicts of interest to arise. Both are a problem, as the perceived inference of a conflict may, on occasions, be as damaging as the existence of a real conflict.

It is important, therefore, that you consider your circumstances when applying for a public appointment and identify any potential conflicts of interest, whether real or perceived.

### **Surely a perceived conflict is not a problem, as long as I act impartially at all times?**

The integrity of the individual is not in question here. However, it is necessary for the standing of the individual and the Board that members of the public have confidence in their independence and impartiality. Even a perceived conflict of interest on the part of a Board Member can be extremely damaging to the Body's reputation and it is therefore essential that these are declared and explored in the same way as an actual conflict would be. The fact that a member acted impartially may be no defence against accusations of potential bias.

### **What should I do if I think I have a conflict of interest?**

You will find a section on conflicts of interest in the application form for you to complete. This asks you to consider and declare whether or not you have a real, or perceived, conflict. If you are unsure if your circumstances constitute a possible conflict, you should still complete this section, in order to give the selection panel as much information as possible.

### **If I declare a conflict, does this mean I will not be considered for appointment?**

No – each case is considered individually. If you are shortlisted for interview, the panel will explore with you how far the conflict might affect your ability to contribute effectively and impartially on the Board and how this might be handled, if you were to be appointed. For example, it may be possible to arrange for you to step out of meetings where an issue is discussed, in which you have an interest. However, if, following the discussion with you, the panel believes that the conflict is too great and would call into question the probity of the Board or the appointment, they can withdraw your application from the competition.

### **What happens if I do not declare a known conflict, which is then discovered by the Board after my appointment?**

Again, each case would be considered on its merits, but a view may be taken that by concealing a conflict of interest, you would be deemed to have breached the Seven Principles of Conduct Underpinning Public Life and your appointment terminated.

### **What happens if I do not realise a potential conflict exists?**

This situation may arise where the applicant is not familiar with the broad range of work which a Body covers and therefore does not realise that a conflict might exist. In some cases, the Panel, with their wider knowledge of the Body, might deduce that there is a potential conflict issue, based on the information on employment and experience provided by the candidate in the application form. They will then explore this at interview with the candidate.

## **What happens if a conflict of interest arises after an appointment is made?**

This could arise for two main reasons. The first is that the member's circumstances may change, for example, they may change jobs and in doing so, a conflict with their work on the Board becomes apparent. The second is where a member is unfamiliar with the range of the work of the Body, but after appointment, it becomes clear that a conflict exists where none had been envisaged during the appointment process.

In both cases, the issue should be discussed with the Chair and Chief Officer of the Board to decide whether or not the member can continue to carry out their role in an appropriate manner and each case is considered individually.

It may be that the conflict is such that it would be impractical for the Member to continue on the Board, if they would have to withdraw from a considerable amount of the Body's routine business. In such cases, the member may be asked to stand down from the Body.

## **Areas where a conflict could arise**

There are five main issues, which could lead to real, or apparent, conflicts of interest. These are:

- Relevant pecuniary or other interests outside the organisation
- Relationships with other parties/organisations which could lead to perceived or real split loyalties
- Knowledge of emerging Government Policy could give unfair personal advantage to people with allied business interests – for example, access to privileged information or trade secrets
- Perception of rewards for past contributions or favours
- Membership of some societies or organisations

Some examples of potential, real or perceived, conflicts of interest are:

- You are a director of a building supplies firm and the Board to which you are seeking appointment conducts regular procurement exercises for building materials
- You could benefit personally from decisions taken by the Board
- You are a manager in a voluntary organisation, whose funding applications are considered by the Board or Body to which you are seeking appointment
- The Body for which you work could benefit financially from decisions taken by The Board
- Your company could have access to information, which would give them a commercial advantage over their rivals
- Your appointment could be viewed as a reward for past favours
- Your appointment could be viewed as the 'old boy network' in operation

In other words, no one should use, or give the appearance of using, their public position to further their private interests. This is an area of particular importance, as it is of considerable concern to the public and receives a lot of media attention. The above are examples only, so you should consider carefully your own circumstances to gauge whether or not a real, or perceived, conflict might exist.

## **Excerpt from the Government Code**

### **Part 6: Members of Statutory Boards and Other Statutory Bodies**

*(February 2017)*

#### **Part A: The Statutory Boards**

##### **Constitution**

- 6.1 The Statutory Boards are constituted under the Statutory Boards Act 1987, or by separate statute but are referred to in that Act (e.g. Office of Fair Trading = Board of Consumer Affairs Act 1981).

##### **Corporate Status**

- 6.2 The Statutory Boards are listed in Schedule 1 to the Statutory Boards Act 1987 as follows:

The Isle of Man Office of Fair Trading  
The Isle of Man Financial Services Authority  
The Isle of Man Post Office  
The Manx Utilities Authority  
The Communications Commission  
The Isle of Man Gambling Supervision Commission  
The Public Sector Pensions Authority

- 6.3 Every Statutory Board is a body corporate with perpetual succession and a common seal.

##### **Appointment of Members**

- 6.4 Members are appointed to Statutory Boards by the Council of Ministers subject to Tynwald approval (except for the Financial Services Authority whose members are appointed by the Treasury, subject to Tynwald approval).
- 6.5 A Tynwald member (i.e. a person who, on being appointed a member of the Board, was a member of Tynwald) of a Statutory Board holds office until:
- a) the expiry of a period of 2 years and 6 months beginning with the date on which the Keys were last dissolved;
  - b) the dissolution of the Keys; and
  - c) if he ceases to be a member of Tynwald or of the Branch of which he was a member at the time of his appointment.
- 6.6 A non-Tynwald member (i.e. a person who on being so appointed was not such a member) of a Statutory Board holds office for a period of 5 years from the date of his appointment but he goes out of office if he becomes a member of Tynwald. Any member of a Statutory Board may be removed from office by a direction of the Council of Ministers or may at any time resign on giving to the Chief Minister notice in writing of his intention to do so.

## **Payment of Members**

- 6.7 Members of Statutory Boards are eligible to be paid annual sums prescribed by the Treasury under section 2 of the Payment of Members' Expenses Act 1989. They are also entitled to claim, in respect of each meeting of the Board or committee thereof, the travelling allowance prescribed by the Treasury.

## **Statutory Functions**

- 6.8 The statutory functions of the Statutory Boards are to be found in the various Acts of Tynwald which constitute the individual Boards and in associated subordinate legislation. The Statutory Boards Act 1987 (as amended) is also important in relation to the Boards functions.

## **Council of Ministers Directions**

- 6.9 Although in practice it is a rarely used power, the Statutory Boards Act 1987 provides that the Council of Ministers may, after consultation with the Board, give to any Board such directions as to the exercise of its functions in relation to any matter which appears to the Council of Ministers to affect the public interest, and the Board shall comply with any such directions.

## **Exercise of Functions**

- 6.10 A Statutory Board has the following key functions:
- (a) to set the strategic direction of the organisation, within the overall policies and priorities of the Government;
  - (b) to ensure that the organisation is managed with probity and integrity;
  - (c) to oversee the delivery of planned results by monitoring performance against objectives, monitoring and managing risks to achieve those objectives and ensuring corrective action is taken when necessary;
  - (d) to ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
  - (e) to ensure that the Board operates within the limits of its statutory authority, and in accordance with any other conditions relating to the use of public funds;
  - (f) to ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation;
  - (g) to ensure that there is effective dialogue between the organisation and the community on its plans and performance and that these are responsive to the community's needs; and
  - (h) to ensure that effective management arrangements are in place to enable responsibility to be clearly delegated to senior executives for the main programmes of action and for performance against programmes to be monitored and senior executives held to account.
- 6.11 As a Statutory Board is a body corporate, all the Members share collective corporate responsibility for the decisions of the Board. The Chair of a Statutory Board is not in the same position as a Minister of a Department in whose name and on whose behalf all the functions of the Department are exercised. [The Chair has no authority to act or take decisions on behalf of the Statutory Board except as provided for in Schedule 2 to the Statutory Boards Act 1987 or in accordance with a delegation approved by the Board.]

- 6.12 The Chair has particular responsibility for providing effective strategic leadership on matters such as:
- (a) formulating the Board's strategy for discharging its statutory duties;
  - (b) encouraging high standards of propriety and promoting the efficient and effective use of staff and other resources throughout the organisation;
  - (c) ensuring that the Board, in reaching decisions, takes proper account of guidance provided by Tynwald;
  - (d) representing the views of the Board to Tynwald and the general public; and
  - (e) providing an assessment of performance of individual Board Members, on request, when they are being considered for re-appointment to the Board or for appointment to the Board of some other public body.
- 6.13 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, the reasons for those decisions and, where appropriate, the views of individual Board Members.
- 6.14 There should be formal approval by the Board of the Accounts at regular intervals, at least every 3 months. The Board Meeting minutes must record that financial information was included in the agenda papers, and that the Chief Executive, or another Officer, reported on the Accounts.
- 6.15 When financial decisions are made about which Treasury should legally, or as a courtesy, be informed, it must be recorded in the Board Meeting minutes that Treasury has been so informed in writing. It must not be assumed by the Board that Treasury has been informed, based only on verbal assurances to that effect by an Officer.
- 6.16 Communications between the Board and the Minister of the sponsoring department will normally be through the Chair except where the Board has agreed that an individual member should act on its behalf. Nevertheless, an individual member has the right of access to Ministers on any matter which he or she believes raises important issues relating to his or her duties as a member of the Board. In such cases the agreement of the rest of the Board should normally be sought. The main point of contact between the body and the sponsor Department on day-to-day matters will normally be the Chief Executive Officer or another member of staff who is authorised to act on behalf of the body.
- 6.17 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. The Chair and other members of the Board should each have a copy of relevant background material such as its latest Service Delivery Plan and Annual Reports and Accounts; the Financial Regulations; notes describing the body's organisational structure and statutory basis of operation; and any specific rules and procedures of the Board. The Chair should encourage new Board members to attend an induction course on the duties of Board members of public bodies, Corporate Governance or some other suitable form of induction.

### **The Role of Individual Members**

- 6.18 Board Members share the collective responsibility of the Board for the control and management of its business and are expected to exercise their best judgment in the interests of the organisation.
- 6.19 Members should regard themselves as guardians of the public interest in the Board's activities and in the discharge of its statutory duties. They should adopt a questioning

approach to proposals put before the Board and should contribute independent advice and judgment, both to the Board as a whole and as appropriate to the Chair.

- 6.20 Within the framework of collective responsibility, Members should take particular interest in seeing that challenging objectives are set and properly monitored. They should also seek to ensure short and medium term plans are considered against alternative strategies to meet the objectives set. It is important for Members to participate in regular reviews of the Board's progress against objectives, monitor and manage the risk to achieving those objectives, and should be aware of the performance of other similar authorities.
- 6.21 The members should aim to make a full contribution to the work of the Board with particular emphasis on increasing efficiency. They should not be inhibited in taking an interest in areas or aspects of the organisation's activities where they consider they can make a contribution.

### **Chair and Chief Executive**

- 6.22 The Chair and Chief Executive Officer share in the leadership role, although there is a clear division of responsibility between the Statutory Board and its Chief Executive Officer (by whatever title he or she is known). The Chair's role is to lead the governing body, ensuring it makes an effective contribution to the governance of the organisation, and the Chief Executive's is to lead the organisation in implementing strategy and managing the delivery of services. A good working relationship between the two can make a significant contribution to effective governance.

### **Strategic planning and control**

- 6.23 One of the main tasks of the Board is likely to be oversight of the production of the Service Delivery plan. The process of preparing such a document provides an opportunity for agreeing the policy and resources framework within which the body will discharge its duties; and for determining its key strategic objectives and targets. Such targets should normally cover areas such as the organisation's financial performance; the efficiency and effectiveness of its operations; and the quality of the services it provides. Some public bodies cannot easily measure final outputs. Where this makes it difficult to set suitable performance targets, the Board should aim to agree carefully formulated strategic objectives and milestones.

### **Delegation**

- 6.24 Responsibility for day-to-day management matters should be delegated to staff with a clearly understood framework of strategic control. Suggested models of delegation are available in Annex 4.3. Boards will want to consider internal guidance covering those matters delegated to staff and those reserved for decision by the Board. The latter are 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.
- 6.25 The Board may decide to delegate, where it has power to do so, responsibility for specified matters to individual members, committees or companies of the Board. Decisions taken by individual members or committees of the Board under delegated powers should be recorded in written minutes available to the Board as a whole.



## **Financial Regulations**

- 6.26 Statutory Boards must comply with Financial Regulation made from time to time by the Treasury in accordance with section 3 of the Treasury Act 1985. Copies of the Financial Regulations are held in the offices of all the Statutory Boards.

## **Personnel**

- 6.27 Statutory Boards recruit, train and deal with all aspects of the service of their personnel except that any civil servants who are employed on behalf of any Statutory Board are the responsibility of the Public Services Commission. The Cabinet Office's Office of Human Resources is available to provide advice on corporate personnel policies determined by the Council of Ministers and on employee/industrial relations issues generally.

## **Conflicts of Interest**

### **(a) Register of Interests**

- 6.28 Members of Statutory Boards should act impartially and should not be influenced by family, social or business relationships. Board Members should not use their public position to further their private interests.
- 6.29 The Chair and other Board Members should declare any personal or business interests which may conflict with their responsibilities as Board Members, and those interests should be declared and recorded in a register.
- 6.30 The register should list direct or indirect pecuniary interests which members of the public might reasonably think could influence Board members' judgement. Board members are strongly encouraged to register non-pecuniary interests which relate closely to the body's activities, and interests of close family members and persons living in the same household as the Board Member.
- 6.31 Board Members should notify the Chief Executive if there is any relevant change in their personal situation or connections during the period of appointment, which may result in a conflict of interest. Board Members should in any case update the register of interests as changes occur.
- 6.32 Registers of interest should be open for inspection by Members of Tynwald, the Council of Ministers, the Chief Executive Officer of the Board, Accounting Officer and other Board members and be available for inspection by the public auditors. Opening the register for public inspection would be a matter for the Board to determine, with due consideration to the Government's Code of Practice on Access to Information.

### **(b) Disclosing Interests**

- 6.33 Members of Statutory Boards should not participate in the discussion or determination of matters in which they have a direct pecuniary interest. When an interest is not of a direct pecuniary kind, Members should consider whether participation in the discussion or determination of a matter would suggest a real danger of perception of bias. This should be interpreted in the sense that Members might either unwittingly or otherwise unfairly regard with favour or disfavour, the case of a party to the matter under consideration. In considering whether a real danger of perception of bias exists in relation to a particular decision, Members should assess whether they, a close family member, a person living in the same household as the Board Member, or a firm, business or organisation with which the Board Member is connected are likely to be affected more than the generality of those

affected by the decision in question. This would cover, for example, a decision to invite tenders for a contract where a firm with which a member was connected was significantly better placed than others to win it.

- 6.34 Where, in accordance with the above, Members do not participate in the discussion or determination of a matter, the interest should be declared and recorded in the minutes and the Member should withdraw from the meeting. This is because the continued presence of someone who had declared an interest might be thought likely to influence the judgement of the other members present.

## **Acceptance of Gifts, Hospitality and Travel**

### **(a) Gifts**

- 6.35 No Board Member should accept gifts, hospitality or services from anyone which would, or might appear to, place him or her under an obligation. The same principle applies if gifts, etc., are offered to a member of their family.

- 6.36 This is primarily a matter which must be left to the good sense of Members. But any Member in doubt or difficulty over this should seek the guidance of the Accounting Officer. The following rules apply:

- (a) Tokens, mementos of official occasions, visits or conferences are not to be regarded as gifts unless they exceed an apparent value of £50;
- (b) Receipt of gifts should, in all cases, be reported to the Board's Chief Executive;
- (c) Gifts of small value (i.e. up to £100) may be retained by the recipient;
- (d) Gifts of a higher value should be handed over to the Board for disposal, except that:
  - (i) The recipient may purchase the gift at its cash value (abated by £100);
  - (ii) If the recipient wishes to reciprocate with, and pay for, a gift of equivalent value, the gift received may be retained;
  - (iii) If the Board judges that it would be of interest, the gift may be displayed or used in the Board;
  - (iv) If the disposal of the gift would cause offence or if it might be appropriate for the recipient to use or display the gift on some future occasion as a mark of politeness, then the gift should be retained in the Board for this purpose.

- 6.37 Gifts given to Board Members in their capacity as Board Members become the property of the Board unless the Board Member wishes to keep the gift (if it is below the threshold of £100) or to purchase it.

### **(b) Hospitality**

- 6.38 Travel within the Island and hospitality provided within normal bounds, which is infrequent or reciprocated cause no difficulty (e.g. attendance as a guest at formal dinner, reception, etc.)

- 6.39 Travel and hospitality, including accommodation, provided off the Island cause no difficulty if the Member is fulfilling an engagement at the request of the donor, which is of promotional or other sufficient value to the Island.

- 6.40 Where attendance at conferences, dinners, exhibitions, etc., off-Island involve offers of costs towards travel and/or accommodation which exceed an apparent value of £165, such offer should not be accepted. (Refer to Subsistence Allowances GC0036/12)

## **(c) Travel**

- 6.41 Off-Island travel by Members should normally be arranged, so far as possible, to avoid absences from Board meetings.
- 6.42 When Members travel off-Island on official Government business their travel expenses should be borne by the Board. When any expenses are not met in this way, Members must ensure that no undue obligation is involved; recognising that accepting offers of free travel can be misinterpreted.

## **Confidentiality**

- 6.43 It is Government policy to be as open as possible in providing information publicly about its activities. There are, nevertheless, circumstances in which, for good reasons, confidentiality requires to be observed. These circumstances are set out in Government's Code of Practice on Access to Information under a number of headings, the principal of which are:
- Privacy of the Individual
  - Third Party's Commercial Confidences
  - Effective Management and Operation of the Public Service
  - Law Enforcement and Legal Proceedings, and
  - Prematurity
- 6.44 Whilst Members are encouraged to explain and discuss openly the declared policies of the Board, as appropriate, it is important for the effective working of Boards that information in relation to developing policies or activities is not divulged prematurely so as to pre-empt a determination by the Board. Members should, therefore, be sensitive to the interests of the Board in discussing the work of the Board with others and, in the event of doubt, to discuss with the Chair whether outside discussion would be premature.

## **Interaction with the Media**

- 6.45 If a Member is approached by the media for comment on any matter or issue, the Board member should politely decline to make comment at that time and seek the advice of the Chief Executive Officer or Chair.
- 6.46 Upon advice, the Member may make specific comment to the media as deemed appropriate based on the advice tendered by the Chair or Chief Executive Officer.
- 6.47 The Member may however make appropriate and informed comment, if prior delegated authority has been received from the Chair or in the absence of the Chair the Vice-Chair. (This may be necessary in circumstances when a Member may be Chair of a sub-committee of the Board).

## **Indemnity**

- 6.48 The Statutory Boards Act 1987 includes provision that the Board "may apply any money in its hands for the purpose of indemnifying itself against any costs or damages which it may incur in or in consequence of the exercise of its functions". This is achieved through the purchase of indemnity insurance which, for all Departments, Boards and Offices (except the Manx Utilities Authority and the Isle of Man Post Office) is provided by the Government's Official indemnity policy arranged by Treasury.
- 6.49 This insurance covers claims from third parties which arise from accidental errors or omissions. The cover extends to employees, political members and lay members of Departments, Boards and Offices subject to various conditions including that no indemnity

will be provided to persons in respect of their own fraud, dishonesty or criminal act. The cover relates only to action taken by the Member as part of the Board's "business" and does not cover any other actions.

- 6.50 The Directors and Officers insurance policies taken out by the Manx Utilities Authority and the Isle of Man Post Office indemnify the insured against costs for which they are legally liable following a claim against them for a wrongful act. Again, these policies provide certain exclusions including acts of any insured which are found by any court to be fraudulent or dishonest or any personal profit or advantage gained by an insured to which such insured was not legally entitled.
- 6.51 Both types of policies provide for payment of damages and claimants costs and expenses for the financial loss arising as a result of a negligent act or accidental error or accidental omission. In addition the insurer will pay all costs and expenses incurred, with its written consent, in defending any claim which may be the subject of indemnity.
- 6.52 The Statutory Boards Act 1987 gives Members of Statutory Boards the same level of indemnity as that provided to officers, whereby:
- (i) a Board Member will not be personally liable in respect of any act done by him in the performance or purported performance of his functions if he acted reasonably and in the honest belief that his duty required or empowered him to do the relevant act;
- (ii) where an action has been brought against a Member of a Board in respect of an act done by him in the performance or purported performance of his functions, and the circumstances are such that he is not legally entitled to require the Board to indemnify him, the Board may nevertheless indemnify him against the whole or any part of any damages or costs which he may have been ordered to pay or may have incurred, if the Board is satisfied that he honestly believed that the act complained of was within the scope of his functions and his duty required or empowered him to do it.

## **General Code of Conduct and Behaviour**

- 6.53 As a member of the Board, a Member is expected at all times to exercise the highest standards of behaviour in line with the seven principles of public life as set out in annex 2.1 of the Government Code. Members should not enter into any activity or discussion with any third party that may have the potential of bringing the Board into disrepute or compromising the reputation of the Board or the Isle of Man Government.
- 6.54 Any breach of the provisions of this Code of Conduct may result in removal from office of the Member at the direction of the Council of Ministers, under Section 3 (3) of the Statutory Boards Act 1987.

## **Application**

- 6.55 The principles and requirements set out above represent minimum standards which must be adhered to by Board members. Individual Boards have the freedom however to introduce more specific standards to meet any specific needs of the boards concerned.

## **Part B: Other Statutory Bodies**

### **Corporate Status**

- 6.56 Save as is otherwise provided for by statute or, by virtue of inclusion within schedules of this code, is expressly exempted, this code applies to all Government Departments, all

Statutory Boards, and to all bodies or authorities (other than a local authority), constituted by any enactment for any purposes involving the expenditure of public monies or the receipt of public monies for the purposes of that body or authority or for the public revenue.

6.57 For the sake of completeness it is important to emphasise that many of the governance principles and requirements identified in respect of Statutory Boards, apply equally, as appropriate, to these other public bodies, principally:

- Exercise of Functions (Para 6.10)
- The Role of the Chair (Paras 6.12 to 6.17; & 6.22)
- The Role of Individual Members (Paras 6.18 to 6.21)
- Delegation (Paras 6.24 & 6.25)
- Conflicts of Interest (Paras 6.28 to 6.34)
- Acceptance of Gifts, Hospitality and Travel (Paras 6.35 to 6.42)
- Confidentiality (Paras 6.43 & 6.44)
- Interaction with the Media (Paras 6.45 to 6.47)



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