

## **MEMORANDUM OF UNDERSTANDING BETWEEN THE CABINET OFFICE AND THE CIVIL SERVICE COMMISSION**

### **1. Purpose**

1.1 This memorandum of understanding has been drawn up by the Cabinet Office and the Civil Service Commission (the 'Commission'). It fulfils the role of a Framework Document and sets out the way in which:

- a. the Government and the Commission will work together to support an effective, efficient and impartial Civil Service.
- b. the Cabinet Office, on behalf of the Government, will provide the resources to the Commission to provide for the effective operation of the Commission in discharging its statutory duties in accordance with the intentions of Parliament.
- c. the Commission will demonstrate proper accountability for the exercise of its functions and for the public monies provided to it to do so.

### **2. Guiding Principles**

2.1 This memorandum is based upon the following guiding principles:

- a. the Commission, in discharging its functions, is independent of the Government and the Civil Service.
- b. the Commission and the Government will work in partnership to ensure the proper exercise of the Commission's functions and through this support an effective, efficient and impartial Civil Service.
- c. the Commission and the Government are committed to openness and transparency in their work together.
- d. the Cabinet Office will actively support the Commission in the exercise of its functions across the Civil Service.
- e. Commissioners and their staff will be appointed on merit through fair and open competition (any staff seconded from the Civil Service will have been appointed to the Civil Service on merit through fair and open competition).
- f. changes to this memorandum will only be made with the mutual consent of the Cabinet Office and the Commission.

### **3. Effective date and arrangements for review**

3.1 This memorandum comes into effect on 11 November 2010. It will be reviewed jointly by the Cabinet Office and the Commission at April 2012 and thereafter every three years.

3.2 The Commission shall be reviewed on a regular basis to give the Cabinet Office confidence that the Commission is delivering high quality services, efficiently and effectively, in accordance with Cabinet Office's own guidance.

### **4. Statutory framework**

4.1 The statutory provisions governing the work of the Government<sup>1</sup> and the Commission in relation to the governance and management of the Civil Service are contained in Part 1, Schedules 1 & 2 of the Constitutional Reform and Governance Act 2010 (the "Act"). Section 17 of the Act also provides that the Minister for the Civil Service may, with the agreement of the Commission, invite the Commission to take on additional functions in relation to the Civil Service.

4.2 Section 6 of this document summarises all the functions currently undertaken by the Commission under the Act.

#### **Classification**

4.3 For policy/administrative purposes, the Commission is classified by the Government as an Executive Non Departmental Public Body (NDPB) sponsored by the Cabinet Office. For national accounts purposes, the Commission is classified to the central government sector.

### **5. Status of the Commission and the Civil Service Commissioners**

5.1 The Commission is established in statute as a body corporate charged with regulating the selection of individuals for appointment to the Civil Service and to hear and determine complaints under the Civil Service Code, thereby helping to uphold the core values of an impartial Civil Service.

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<sup>1</sup> Additional provisions concerning the Government (delegation of functions of the Minister for the Civil Service to servants of the Crown) are also included in the Civil Service Management Function) Act 1992.

5.2 The Commissioners are appointed by Her Majesty following the recommendation of the Minister for the Civil Service, under the authority of the Act. The Commissioners are each appointed for a single non-renewable term of no more than 5 years.

## **6. Role and purpose**

6.1 In relation to the Civil Service -

### The Government:

- a. determines the number and grading of posts in the Civil Service and the conditions of service of all persons employed in the Service;
- b. controls the conduct of the Service, including the amendment and promulgation of the Civil Service Code in consultation with the Commission;
- c. recruits individuals to the Civil Service;
- d. prescribes the qualifications for appointment to the Service; and
- e. with the Commission, upholds the principle of selection for appointment on merit on the basis of fair and open competition (with limited exceptions as set out in the Act or the Recruitment Principles) in respect of appointments to the Civil Service.

### The Commission:

- i. regulates and monitors the application of the principle of appointment on merit on the basis of fair and open competition in respect of appointments to the Civil Service and sets out when an exception to the principle might be made. The Commission is required to publish Recruitment Principles, following consultation with the Minister for the Civil Service, that must be applied for this purpose;
- ii. approves specified appointments as set out in the Recruitment Principles, participating throughout the process for selection and/or by giving written approval;
- iii. hears and determines complaints from anyone who believes there has been a breach of the Recruitment Principles;
- iv. regulates the filling of all posts (as set out in the Recruitment Principles) which fall under the remit of the Senior Leadership Committee or any successor Committee, these being all Permanent Secretary and Director General (SCS PB3) posts, or their equivalents;

- v. reviews departmental policies<sup>2</sup> and procedures for the promotion of, and dealing with complaints under, the Civil Service Code and advises on best practice;
- vi. hears and determines complaints from civil servants who believe that there has been a breach of the Civil Service Code;
- vii. investigates other allegations of serious breaches of the Civil Service Code with the agreement of the Cabinet Secretary on behalf of the Minister for the Civil Service; and
- viii. reports publicly on the exercise of all the Commission's functions and on the funding provided to it.

## **7. The working relationship between the Government and the Commission**

7.1 The Government and the Commission are committed to the impartiality of the Civil Service. Following the guiding principles at Section 2 of this memorandum they will work in collaboration, by pooling their respective knowledge and experience, to assist the Civil Service and the Cabinet Office in particular, to develop its thinking and policy on aspects of the Civil Service.

7.2 To this end:

- a. the Commission will make available to the Government any conclusions drawn from its work and, where it deems it appropriate, the detailed findings;
- b. the Commission will at the invitation of the Government discuss key issues of Civil Service governance and management with the Government;
- c. at the invitation of the Cabinet Secretary, the First Civil Service Commissioner will be a member of the Senior Leadership Committee or any successor committee; and
- d. the Government and the Commission will work together, to decide whether or not the Commission should be invited by Government to take on further additional roles under Section 17 of the Act.

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<sup>2</sup> Reference to "departments" in this document should be taken to include all organisations that form part of the Civil Service of the State and to which the Act applies – see Section 1 of the Act.

## **8. The Cabinet Office**

### **8.1 The Cabinet Office is responsible for:**

- a. supporting the Minister for the Civil Service and the Minister for the Cabinet Office in respect of their responsibilities (see role and purpose, Section 6 above);
- b. reinforcing the recognition, respect and understanding by Permanent Secretaries of the function and independence of the Commission and the Permanent Secretaries' role in promulgating this throughout the Civil Service;
- c. reinforcing to departments that the Commission must receive prompt and comprehensive responses to requests for information and documents that they ask for from departments;
- d. maintaining an overview of practices and developments in Government departments and agencies which have or may have an implication for the Commission. The Cabinet Office will reinforce to departments the importance of the Commission being consulted in good time on any aspect of policy development or implementation which has or may have an impact on the Commission's jurisdiction or powers;
- e. maintaining regular liaison arrangements with the Commission which will include regular meetings between the Minister for the Cabinet Office and the First Civil Service Commissioner and the Cabinet Secretary and the First Civil Service Commissioner; and
- f. maintaining an appropriate separation between casework and activities covered by this memorandum when complaints concerning the Cabinet Office are made to the Commission under the Recruitment Principles or the Civil Service Code.

## **9. The Commissioners**

### **9.1 Appointment of Commissioners<sup>3</sup>**

#### **9.1.1 First Civil Service Commissioner**

The Cabinet Office is responsible for running the selection process for the First Civil Service Commissioner. A person's selection for recommendation must be on merit on the basis of fair and open competition.

- a. The Cabinet Office will constitute a selection panel that will include a member independent of the Government and the Commission, and an equal number of other persons nominated by the Cabinet Secretary and the Commission. The Cabinet Secretary will act as chair.
- b. The panel will follow the principles set out in the Commission's Recruitment Principles.
- c. The Minister for the Civil Service will consult the First Minister in Scotland and the First Minister in Wales on the recommended candidate.
- d. The Minister for the Civil Service will consult the leaders of the two main opposition parties in Parliament on the recommended candidate.
- e. The recommended candidate will be subject to a pre-appointment hearing by the Public Administration Select Committee or its successor (provided Parliament is sitting).
- f. The First Commissioner is appointed by Her Majesty on the recommendation of the Minister for the Civil Service.

#### **9.1.2 Commissioners**

The First Commissioner, following consultation with the Cabinet Secretary on behalf of the Minister for the Civil Service, is responsible for running the selection process for the other Commissioners.

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<sup>3</sup> The appointment of Commissioners does not fall within the remit of the Commissioner for Public Appointments. Adherence to the Commission's Recruitment Principles ensures selection on merit on the basis of fair and open competition.

- i. A person's selection for recommendation must be on merit on the basis of fair and open competition following the principles set out in the Commission's Recruitment Principles.
- ii. The First Civil Service Commissioner will invite a representative of the Cabinet Secretary to be part of the selection panel.
- iii. If a candidate is being expressly chosen to provide a link with the Scottish Executive or the National Assembly for Wales, the First Commissioner or the Cabinet Office will invite an official representative of the respective administration to be part of the selection panel.
- iv. A Commissioner is appointed by Her Majesty on the recommendation of the Minister for the Civil Service.

## **9.2 Terms and conditions of Commissioners**

9.2.1 The terms on which the First Civil Service Commissioner holds office are determined by the Minister for the Civil Service. The terms on which the Commissioners hold office are determined by the Minister for the Civil Service in agreement with the First Civil Service Commissioner. These terms may include remuneration, allowances and pensions. In deciding such terms the Minister for the Civil Service and the First Civil Service Commissioner shall have regard for:

- recruitment and retention of Commissioners.
- comparable arrangements in other public bodies.

9.2.2 The Minister for the Civil Service and the First Commissioner shall review such terms at least every three years starting from when this Memorandum comes into effect.

## **9.3 Resignation and removal of Commissioners**

9.3.1 The First Commissioner and any other Commissioner may resign from his or her office by giving written notice of 3 months to the Minister for the Civil Service. The Minister for the Civil Service and the First Commissioner may waive the notice period at the request of a Commissioner.

9.3.2 Her Majesty, acting upon the recommendation of the Minister for the Civil Service, may only remove a Commissioner or the First Commissioner on the grounds set out in Schedule 1, paragraph 5 of the Act which also (Schedule 1, paragraph 6) provides for the Minister for the Civil Service to direct the Commission to pay compensation to a former Commissioner or First Commissioner for loss of office if the circumstances make this justified.



**9.4 The First Civil Service Commissioner:**

- a. is the Chair of the Board of Commissioners;
- b. provides strategic leadership and encourages high standards of propriety including adherence by Commissioners to this Memorandum;
- c. ensures that the Commission is fit for purpose, undertakes annually an assessment of the contribution of individual Commissioners and ensures that there is a proper balance of skills and experience on the Commission;
- d. enables collective consideration and ensures that the Commissioners have an appropriate forum for deliberation, and that minutes of meetings accurately record the decisions taken;
- e. formally represents the views of the Commission;
- f. promotes the efficient and effective use of staff and other resources by the Commission and provides support and leadership for the Chief Executive, managing his/her contract and performance, including appointment and dismissal, and managing the relationship between the Commission and the Chief Executive and staff; and
- g. ensures that communication between the Board of the Commission and staff is good, and the Chief Executive is managing the Commission in an effective manner

**9.5 The Civil Service Commissioners will:**

- engage fully as individuals in collective consideration of issues that impact on the discharge of their functions while maintaining the common line when decisions have been reached;
- exercise their role as Commissioners in accordance with any protocols, guides and frameworks they have collectively agreed;
- seek to preserve the reputation and independence of the Commission and to ensure they do not misrepresent the views or actions of the Commission.

9.5.1 The Commission will agree, and adopt, a Code of Practice for Commissioners based on the Cabinet Office model code of conduct. This will form part of the terms and conditions of appointment.



## **9.6 Standards in Public Life**

### **9.6.1 The Civil Service Commission and the Commissioners will:**

- a. observe the highest standards of integrity, honesty, objectivity and impartiality in relation to the management of their affairs and the discharge of their duties and operate in accordance with the seven principles of public life (the “Nolan” principles);
- b. operate in a way that is open and transparent and in compliance with the Freedom of Information Act, regularly placing in the public domain information about their activities, publishing an annual report, and accounting to Parliament as invited;
- c. 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 others;
- d. not hold any paid or unpaid posts in a political party and/or campaign for or against a political party or engage in any other party political activities;
- e. be even-handed in all dealings with political parties;
- f. outside their work as a Commissioner, Commissioners will be mindful of their independent and politically impartial public role and exercise proper discretion.

9.6.2 Where there are any doubts about the application of these standards the First Civil Service Commissioner in the first instance and then if necessary the Cabinet Office should be consulted.

9.6.3 This section should be read in conjunction with Annex 1 which is attached.

## **10. Governance of the Commission**

10.1 The Commission is committed to ensuring that it has robust and effective governance arrangements in order to promote high performance, safeguard propriety and regularity, and maintain public trust. The Commission’s governance arrangements will include:

- a published Code of Practice for Commissioners and staff, in line with best practice for public bodies and the principles of the Civil Service Code, including a declaration of relevant interests. This will be based on the Cabinet Office model code.

- an Audit Committee with terms of reference, composition and membership in line with best practice for public bodies. The role of the Audit Committee is to support the Chief Executive in ensuring the adequacy and effectiveness of internal control systems and risk management arrangements, and to satisfy the Commission that these function as they should.

## **11. Accountability of the Commission**

11.1 The Commission is committed to openness and transparency in its operations<sup>4</sup>, and in the use of public money. The Commission will:

- a. publish an account of its work, including its audited accounts, in its Annual Report as soon as practicable after the end of every financial year. The report will be given to the Minister for the Civil Service and the First Minister in Scotland and the First Minister in Wales who will lay the report before Parliament, the Scottish Parliament and the National Assembly for Wales. The Commission may publish additional reports about any matter relating to the carrying out of its functions at any time as it deems necessary;
- b. publish its Annual Report, its Summary Financial Statement and its audited accounts on its website;
- c. hold an annual open meeting;
- d. operate a Publication Scheme which has been approved by the Information Commissioner, in accordance with the Freedom of Information Act 2000; and
- e. provide evidence as requested to the Public Administration Select Committee or its successor and its equivalent bodies in the Scottish Parliament and the National Assembly for Wales on the Annual Report and related matters.

11.2 The Minister for the Cabinet Office is ultimately accountable to Parliament for all the activities of the Commission and for the resources allocated to it, but will not normally become involved in the day-to-day management of the Commission.

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<sup>4</sup> Subject only to the need to protect the confidentiality of candidates for appointments or parties to complaints under the Recruitment Principles or Civil Service Code.

## **12. Funding, expenditure, accounting and reporting, and staffing**

### **12.1 Funding**

#### 12.1.1 The Commission is responsible for:

- a. providing the Cabinet Office with a 3 year Funding Settlement Submission as required;
- b. providing the Cabinet Office with a Main Estimate of resources, capital and cash requirements, including pay, for the following financial year in accordance with the published timetable; and
- c. ensuring that such Estimates are scrutinised and approved by the Commission with due regard to the need for economy, efficiency and effectiveness in the request for and use of resources; and, for the pay of staff, ensuring that full account is taken of the need for broad comparability with the Civil Service.

#### 12.1.2 The Cabinet Office is responsible for:

- i. examining the 3 Year Funding Settlement Submission;
- ii. examining the Estimates and clarifying any issues with the Commission as appropriate; and, on the pay element for staff, confirming this has taken full account of the need for broad comparability with the Civil Service;
- iii. sanctioning the 3 Year Funding Settlement and Estimates and making recommendations to the Minister for the Cabinet Office, with due regard to the overall fiscal environment for the public sector, the special position of the Commission and its independence from government, and the need to ensure that decisions on funding do not prevent the Commission from performing its functions;
- iv. confirming to the Commission the approval of the Estimates by the Minister for the Cabinet Office; and
- v. laying Estimates before Parliament for its approval and provision.

### **12.2 Grant-in-aid**

12.2.1 The Cabinet Office will issue the grant-in-aid in advance, but not in advance of need, by the start of each financial year (1<sup>st</sup> April).

12.2.2 The Commission must obtain the approval of the Cabinet Office, as sponsor Department, if it proposes to:

- (a) make special payments or gifts; or
- (b) write off losses.

12.2.3 At the end of the Financial Year the Commission will return any issued but unexpended balance of Public Funds to the Cabinet Office.

### **12.3 Compliance with instructions and guidance**

12.3.1 The Commission shall comply with *Managing Public Money* and all relevant instructions and guidance published by Her Majesty's Government (including, for example, Cabinet Office and Her Majesty's Treasury's guidance), as amended and updated from time to time.

### **12.4 Procurement**

12.4.1 Procurement by the Commission of works, equipment, goods and services shall be based on value for money, i.e. quality (in terms of fitness for purpose) and delivery against price. Where appropriate, a full option appraisal shall be carried out before procurement decisions are taken.

### **12.5 Insurance**

12.5.1 Except where there are statutory requirements, the insurance arrangements as set out in *Managing Public Money* will be followed.

### **12.6 Novel, contentious or repercussive proposals**

12.6.1 The Commission must obtain the approval of the Cabinet Office, as sponsor Department, before:

- (a) incurring any expenditure or taking on any contingent liability for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications;
- (b) making any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies) or which may significantly affect the future level of resources required.

## **12.7 Advertising and marketing**

12.7.1 The Commission will abide by the Conventions of government publicity and advertising, set out at <http://www.comms.gov.uk/guidance/propriety/default.htm>, and will ensure in particular that any publicity they issue is:

- a) relevant to their responsibilities;
- b) objective and explanatory, not tendentious or polemical;
- c) not party political and not liable to misrepresentation as being party political; and
- d) produced and distributed in an economic and relevant way, having regard to the need to justify the costs as proper expenditure of public funds.

12.7.2 The Commission will not employ external consultants to lobby Parliament or Government.

12.7.3 The Commission will seek further advice from the Cabinet Office where the use of publicity and advertising might be regarded as novel or contentious, and in all cases before employing PR consultants.

## **12.8 Assets**

12.8.1 The Commission shall maintain an accurate and up-to-date register of its fixed assets. Any interest earned by the Commission on its assets will be treated in accordance with the consolidated budgeting guidance issued by Treasury.

12.8.2 The Commission shall not enter into any capital expenditure in excess of £5,000 (or the amount recommended in *Managing Public Money*) without the permission of the Cabinet Office. The Commission shall not dispose of any assets acquired with Public Funds with a net book value in excess of £1,000 (or the amount recommended in *Managing Public Money*) without the prior written consent of the Cabinet Office. Use of proceeds of any disposal in excess of this amount shall be at the discretion of the Cabinet Office.

## **12.9 Risk management**

12.9.1 The Commission shall identify, and be responsible for ensuring that, the risks which it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with Her Majesty's Treasury's guidance.

12.9.2 The Commission shall adopt and implement policies and practices to safeguard the Commission against fraud and theft, in line with Her Majesty's Treasury's guidance.

## **12.10 Accommodation, equipment, facilities, services, legal advice and records**

12.10.1 The arrangements concerning the accommodation, equipment and facilities and services, legal advice and records of the Commission are to be covered by an agreement between the Commission and the Cabinet Office.

12.10.2 All information held and processed by the Commission shall be in accordance with the Data Protection Act 1998, the Freedom of Information Act 2000 and any relevant guidance concerning the same.

## **12.11 Banking arrangements**

12.11.1 The Cabinet Office's Accounting Officer is responsible for ensuring that the Commission's banking arrangements safeguard public funds. The Chief Executive of the Commission, as its Accounting Officer, is responsible for ensuring that the Commission's banking arrangements are in accordance with the requirements of *Managing Public Money* and are carried out efficiently, economically and effectively.

## **12.12 Borrowing**

12.12.1 The Commission shall not borrow money. For the avoidance of doubt, borrowing includes temporary borrowing, such as through prearranged overdraft facilities.

**12.13 Lending, guarantees, indemnities and contingent liabilities  
(including letters of comfort)**

12.13.1 The Commission shall not, without Cabinet Office's prior written consent, lend money, charge any asset or security, give any guarantee or indemnity or letter of comfort, nor incur any other contingent liability whether or not in a legally binding form.

**12.14 Payroll and related matters**

12.14.1 The arrangements concerning the payroll and associated services such as taxation, National Insurance and pensions of the Commission are to be covered by an agreement between the Commission and the Cabinet Office.

**12.15 Expenditure**

12.15.1 Expenditure of the resources provided by the Minister for the Cabinet Office will be a matter for the Commission, subject to the normal requirements of propriety, regularity, audit and value for money, and any conditions imposed by the Minister for the Cabinet Office after consultation with the Commission.

12.15.2 The Commission is responsible for:

- providing returns to the Cabinet Office as required on actual and forecast resources and cash expenditure during the course of the year;
- ensuring that expenditure remains within the resources provided by the Minister for the Cabinet Office each year; and
- notifying the Cabinet Office if any additional funding is required.

12.15.3 The Cabinet Office is responsible for:

- maintaining appropriate and regular communication and advice to the Commission at appropriate levels on expenditure matters; and
- ensuring that any requests for additional funding are put before the Minister for the Cabinet Office for consideration and approval in a timely way.



## **12.16 Accounting and reporting**

12.16.1 The Chief Executive of the Commission is designated by the Permanent Secretary of the Cabinet Office as the Commission's Accounting Officer, and is responsible (as set-out in detail in the letter of designation) for:

- a. regularity and propriety; keeping of proper accounts; prudent and economical administration; avoidance of waste and extravagance; and efficient and effective use of resources;
- b. ensuring that all of the Commission's systems and controls are subject to an appropriate programme of internal audit;
- c. producing annual Accounts which conform to the standards set out in the Government Financial Reporting Manual and sending these to the Minister for transmission to the Comptroller and Auditor General for audit, certification and laying before Parliament; and
- d. reporting on the exercise of these responsibilities to the Commission through the Commission's Audit Committee (see Section 10 above).

12.16.2 The Chief Executive may delegate the day-to-day administration of his or her responsibilities, including his or her Accounting Officer and Consolidation Officer responsibilities to another person as appropriate. However, he or she shall not assign absolutely to any other person any of the responsibilities set out in this Memorandum or the letter of designation.

12.16.3 This section should be read in conjunction with Annex 2 (Financial Management) which is attached.

## **12.17 Staffing**

12.17.1 The Commission may employ its own staff and/or make arrangements for assistance from civil servants and others on secondment and/or other support as necessary for the effective discharge of its functions.

12.17.2 The Chief Executive has the delegated authority to appoint staff on behalf of the Commission.

12.17.3 The Commission is responsible for:

- a. maintaining the appropriate levels of staffing and other support for the effective discharge of its functions. The Commission will appoint the Chief Executive;

- b. satisfying itself that the Chief Executive is fulfilling the duties of Accounting Officer appropriately;
- c. the recruitment, retention and motivation of its staff, some or all of whom might be civil servants or others on secondment to the Commission. Their recruitment and any subsequent promotion will be consistent with the requirements of the Commission's Recruitment Principles;
- d. ensuring appropriate terms and conditions of employment and pay and reward structures which meet the Commission's business needs and ensuring that full account is taken of the need for broad comparability with the Civil Service;
- e. negotiating any pay awards and other changes in the terms and conditions of employment with recognised trade unions, ensuring that full account is taken of the need for broad comparability with the Civil Service; and
- f. ensuring that a Code of Practice for staff, which is analogous to the values set out the Civil Service Code, is in place.

12.17.4 The Cabinet Office is responsible for:

- at the invitation of the Commission, encouraging and facilitating civil servants to apply for posts on secondment to the Commission.



Signed by the Minister for the Cabinet Office

Date

9 / 11 / 2010



Signed by the First Civil Service Commissioner

Date

10 / 11 / 10

## **Annex 1 - Civil Service Commission - Code of Practice for Commissioners**

### **Introduction**

1. This Code sets out the standards of conduct the Members of the Civil Service Commission will observe whilst undertaking their public duties as Commissioners. The Code's provisions are intended to be proportionate to the Commission's functions, as set out in the Constitutional Reform and Governance Act 2010.
2. The Code was approved by the Civil Service Commission to come into effect from November 2010. It replaces the Code that previously applied to the Civil Service Commissioners operating under the Civil Service Order in Council 1995 (as amended) and the Diplomatic Service Order in Council 1991 (as amended). The Code has been endorsed by the Cabinet Office as sponsoring department.
3. The Code will be reviewed formally by the Commission at least once every five years. The Commission may make amendments to the Code at any time prior to a formal review.

### **Standards in Public Life**

4. Civil Service Commissioners will:
  - observe the highest standards of integrity, honesty, objectivity and impartiality in relation to the management of their affairs and the discharge of their duties and operate in accordance with the seven principles of public life (the "Nolan" principles);
  - operate in a way that is open and transparent and in compliance with the Freedom of Information Act, regularly placing in the public domain information about their activities, publishing an annual report, and accounting to Parliament as invited;
  - 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 others;
  - not hold any paid or unpaid posts in a political party and/or campaign for or against a political party or engage in any other party political activities;
  - be even-handed in all dealings with political parties;
  - outside their work as a Commissioner, Commissioners will be mindful of their independent and politically impartial public role and exercise proper discretion.

5. Where there are any doubts about the application of these standards the First Civil Service Commissioner in the first instance and then if necessary the Cabinet Office should be consulted.

### **The Commissioners**

6. Civil Service Commissioners take collective responsibility for the discharge of their functions under the Civil Service Commission. These functions are laid on Commission by the Constitutional Reform and Governance Act 2010. In summary, they are: maintaining the principle of appointment on merit on the basis of fair and open competition; prescribing and publishing Recruitment Principles; chairing selection panels and approving appointments at the most senior levels of the Civil Service; auditing appointing authorities; and hearing and determining appeals under the Civil Service Code.

7. Collective responsibility means that the Civil Service Commissioners will:

- discharge their duties as members of the Commission's Board;
- engage fully as individuals in collective consideration of issues that impact on the discharge of their functions while supporting the Board's decisions when decisions have been reached;
- exercise their role as Commissioners in accordance with any protocols, guides and frameworks they have collectively agreed;
- seek to preserve the good reputation and independence of the Commission;
- ensure that they do not misrepresent the views or actions of the Commission.

### **The First Civil Service Commissioner**

8. The First Civil Service Commissioner:

- a. fills the Chair of the Board of Commissioners;
- b. provides strategic leadership and encourages high standards of propriety including adherence by Commissioners to this Code of Practice;
- c. ensures that the Commission is fit for purpose, undertakes annually an assessment of the contribution of individual Commissioners and ensures that there is a proper balance of skills and experience on the Commission;
- d. enables collective consideration and ensures that the Commissioners have an appropriate forum for deliberation, and that minutes of meetings accurately record the decisions taken;
- e. formally represents the views of the Commissioners;
- f. promotes the efficient and effective use of staff and other resources by the Commission and provides support and leadership for the Chief Executive,

managing his/her contract and performance, including appointment and dismissal, and managing the relationship between the Commission and the Chief Executive and staff;

- g. ensures that communication between the Commission and staff is good, and the Chief Executive is managing the Commission in an effective manner.

### **Conflicts of Interest**

9. Civil Service Commissioners are appointed on a part time basis, and may hold other positions and have other interests in addition to their role as Commissioners. However in order to operate effectively as Commissioners, there must be public confidence that they are wholly objective in the exercise of their responsibilities and, in particular, are free of any party political or governmental influence or favour. The following provisions are intended to avoid Commissioners being influenced, or appearing to be influenced, by their private interests in the exercise of their duties as a Commissioner.

#### *Previous appointments*

10. Prior to their appointment, Civil Service Commissioners will declare any pre-existing appointments and interests which raises or might raise a question about their independence or impartiality to the First Civil Service Commissioner who will decide what, if any, actions are needed to ensure compliance with the Code. The First Civil Service Commissioner will similarly declare to other Commissioners any pre-existing appointments and interests.

11. Civil Service Commissioners will not be formally linked to, chair competitions for, or play any part in auditing or dealing with any complaints or appeals in respect of any department or agency in which they were previously employed or for which they have undertaken any consultancy work which has, or might appear to have, a direct relationship to their role as a Commissioner for at least one year from the date they leave that department's employment or complete the consultancy.

#### *Concurrent and subsequent appointments*

12. Civil Service Commissioners will declare to the First Civil Service Commissioner any offers of other appointments or work which they receive and are minded to accept whilst serving as Commissioners, or within one year after stepping down, which raises or might raise a question about their independence or impartiality. The First Civil Service Commissioner will decide what, if any, actions are needed to ensure compliance with the Code. The First Civil Service Commissioner will consult with other Commissioners about similar offers of appointment he or she may receive.

13. Commissioners will not undertake any concurrent appointments or work for a Civil Service department or agency which has, or might appear to have, a direct relationship to their role as a Civil Service Commissioner, in particular where they represent the formal link between the Commissioners and the department or agency.

#### *Other interests*

14. Civil Service Commissioners will also declare other relevant interests. A relevant interest is any interest – whether direct or indirect, pecuniary or nonpecuniary – which might influence their judgement, or which could be perceived by a reasonable member of the public to influence their judgement, in the exercise of their duties as a Commissioner. This will also include such interests of close family members and of people living in the same household.

15. This may include where a Commissioner knows a candidate or appellant:

- as someone with whom the Commissioner has, or has had – or in his/her judgement might have – business or professional dealings;
- as a friend or relation;
- as an acquaintance, whether through their personal, business or professional life;
- having mentored, appraised or acted as their referee.

#### *Reporting*

16. The reporting of relevant interests by Civil Service Commissioners will depend on the circumstances. Where it relates to an individual involved in:

- an appeal under the Civil Service Code or a complaint under the Recruitment Principles, the Commissioner will declare the interest and consider, in light of the nature of the interest, whether he/she should withdraw from the process in question and/or discussion of it. Where there is any doubt the First Civil Service Commissioner should be consulted;
- a recruitment panel that they are chairing, the Commissioner will declare the interest to the other panel members and consider, in light of the nature of the interest, whether he/she should withdraw from the competition or further consideration of a candidate. Where there is any doubt the First Civil Service Commissioner should be consulted.

17. Commissioners will declare all other relevant interests and consider with the First Civil Service Commissioner, in light of the nature of the interest, on any appropriate subsequent action.

18. The First Civil Service Commissioner will declare any relevant interest which relates to his or her position to the other Commissioners.



### **Recording**

19. Reports of relevant interests arising out of the circumstances described at para 16 above will be recorded and filed with the papers relating to the appeal, complaint or competition in question.

20. All other relevant interests will be recorded in the Commissioners' Register of Interests. The Register will be available for public scrutiny on the Commission's website.

### **Gifts and Hospitality**

21. Civil Service Commissioners will not accept gifts or hospitality or receive other benefits from anyone which might be seen by a reasonable member of the public to compromise his or her independence or impartiality as a Commissioner. If Commissioners are in any doubt about the propriety of accepting a gift and/or hospitality they will consult the First Civil Service Commissioner. The First Civil Service Commissioner will discuss similar offers with other Commissioners.

22. Apart from items with a value of less than £25, Civil Service Commissioners will record all offers of gifts and hospitality related to their work as Commissioners, whether or not they are accepted, in their Register of Gifts and Hospitality.

### **Personal Liability of Commissioners**

23. A Civil Service Commissioner who has acted honestly, and in good faith will not have to meet out of his or her personal resources any personal civil liability which is incurred in the execution or the purported execution of his or her board functions, save where the Commissioner has acted recklessly.



## **Annex 2 - Financial Management**

The Chief Executive, as Accounting Officer, is responsible for ensuring that resources authorised by Parliament and sums to be paid out of the Consolidated Fund, in respect of the Civil Service Commission, are used for the purposes intended by Parliament.

### **Planning system**

November 2010 – a revised version of Commissioners' Three Year Strategy (2007/08 3 year strategy to 2009/2010) becomes the Commission's interim Corporate Plan and a revised version of Commissioners' Business Plan for 2010/11 becomes Commission's interim Business Plan for November 2010 to March 2011.

April 2011 a new 3 year Corporate Plan will be published (2011/12 to 2014/15), and revised every three years thereafter.

April 2011 and annually thereafter – a one year Business Plan will be published.

### **Management Accounting system**

Weekly – Administrative Support officer records all expenditure

Monthly – Business Manager reviews expenditure against forecast

Quarterly – Principal Policy Advisers and Chief Executive review expenditure against forecast and report on this to the next Audit Committee meeting

### **Budget – timetable**

November 2010 – the remainder of the Budget agreed by Cabinet Office for 2010/11 becomes the Interim Budget for the Commission until March 2011.

January 2011– the Commission will send workload and financial forecasts for the next financial year to the Cabinet Office

March 2011 and annually thereafter– the Commission will agree output performance measures and budget for the next financial year with the Cabinet Office

April 2011 and annually thereafter – the Business Manager will finalise the accounts of previous financial year.

The Commission will ensure that it produces accounts in line with the timetable and requirements set annually by the Cabinet Office.

*Memorandum of understanding between  
the Cabinet Office and the Civil Service Commission 11 November 2010*

December 2011 and annually thereafter – the Commissioners review expenditure against budget for current year and agree workload and financial forecasts for next financial year.