

## GROUP ETHICS POLICY - UPDATED December 2016

### Summary/key points

#### 1. Context

SMG is governed by the Heritage Act (1983) as well as UK and international law, and respects the professional and ethical principles that cover all internal and external relationships with regard to SMG being a public sector and charitable body as well as a cultural, academic, scientific and educational institution.

This policy applies to all representatives of SMG, paid or otherwise, including:

- Staff
- Trustees
- Advisors
- Volunteers

#### 2. Principles and behaviours

SMG's principal aim and statutory purpose is to care for, preserve and add to the collections that we display for public benefit. SMG therefore has a duty to be transparent, accountable, and to always act in the public interest.

SMG depends on the trust and confidence of all those with whom the Museum and its subsidiaries come into contact in order to fulfil its purpose. This trust and confidence depends on the Museum's reputation for acting ethically, with integrity and to the highest professional standards.

All representatives of SMG; paid or otherwise, are expected to act in accordance with the following behaviours:

- Honesty (not to mislead)
- Integrity
- Impartiality
- Mutual respect
- Avoids personal gain
- Avoids conflict of interest

All representatives of SMG paid or otherwise, are expected to understand their responsibilities and follow appropriate policies and procedures as set out in the *Code of Conduct for SMG Staff* (2013), *Code of Best Practice for Members of the Board of Trustees* (2011) and the *Seven Principles of Public Life* (Nolan Committee, March 1996).

#### 3. Procedures

In furtherance of these principles all Trustees and senior staff of SMG shall make known to the Board chair or Director (as appropriate) any:

- actual, potential or perceived conflict between their own and SMG's interests;

- actual, potential or perceived pecuniary interests (including fundraising or investment dealing) of theirs or of any member of their close family or friends which may be, or perceived to be, in conflict with the interests of SMG;
- actual, potential or perceived conflicts between the interests of SMG and any relevant private entity.

SMG will maintain registers of interests for all Trustees, Directors and senior staff.

#### 4. Collections

All representatives of SMG are expected to follow appropriate policies and procedures as set out in the Collections Development Strategy, Museum Acquisition & Disposal Policies, Conservation Policy, Collections Information & Access Policy, and Operating Historic Exhibits Policy.

In summary, the ethical provisions in these policies state that SMG will:

- undertake due diligence to acquire valid title, and satisfaction that an item has been acquired or borrowed in compliance with the laws of each country through which it has passed;
- reject any items that have been illicitly collected or traded as defined in cultural property legislation, or natural conservation legislation;
- comply with legislation and guidance for the care of human remains in museums;
- use and report upon the National Museum Directors' Conference 'Spoliation of Works of Art during the Holocaust and World War II period: Statement of Principles and Proposed Actions';
- obtain all statutory licences and permits necessary to comply with legislation and regulations to hold and use an item in the collection;
- care for, conserve and use items in the collection appropriately, and reduce natural deterioration, as far as reasonably practicable;
- establish sound curatorial reasons before consideration is given to the disposal of any item in the collection, and not undertake disposal principally for financial reasons, except in exceptional circumstances.

#### 5. Fundraising

SMG actively seeks to work in partnership with external organisations and individuals to achieve shared objectives. To ensure SMG only solicits, accepts and stewards gifts from legitimate and acceptable sources, it maintains a process for fundraising and due diligence, and this is outlined in Appendix A.

- There may be occasions when SMG will have to turn down opportunities of external funding, including gifts in kind and objects, where SMG believes that acceptance could have a detrimental effect on its reputation.
- SMG will not accept donations, sponsorship or grants where a donation is made anonymously, through an intermediary, who is not prepared to identify the donor to SMG. SMG should avoid agreeing to requests for anonymity that conceal a conflict of interest, real or perceived, or that raise other ethical concerns.
- SMG will not accept donations, sponsorship or grants where the donor has acted, or believed to have acted, illegally in the acquisition of funds.
- SMG will not seek or accept donations or sponsorship where acceptance of these funds would damage its effective operation, including:
  - harm to SMG's duty to other benefactors, partners, visitors or stakeholders
  - creation of unacceptable conflict of interest

- materially damage the reputation, independence and integrity of SMG
  - detrimentally affecting the ability of SMG to fulfil its mission in any way, including interference in the editorial freedom of SMG in its exhibitions and programmes.
- In general, any sponsor, donor or grantor should appreciate and support SMG's values, mission and objectives.
  - SMG will recognize donor, sponsor or grantor support according to agreed standards, generally based on the level of support received.
  - SMG reserves the right to consult and take advice from any relevant individual, business or organisation in the development of a gallery, exhibition, event or other cultural offering, including from sponsors, donors and partners, whilst always maintaining editorial freedom.
  - Where SMG has applied for grants from an organisation, it will fulfil the terms and conditions of that grant.
  - SMG must ensure that a relationship of trust is established with all funders by respecting confidentiality with collection and communication of relevant information only.

## 6. Commercial arrangements

SMG enters into a variety of commercial arrangements and activities with a wide range of partner institutions, companies and individuals, including but not limited to the hiring out of venues and spaces from across the SMG estate. The principle of impartiality will apply to all such arrangements, irrespective of age, sex, sexual orientation, race, creed, range of ability, language or religious belief.

Any such commercial arrangement or activity in and of itself does not represent an endorsement of the aims, goals or principles of the partner organisation. Partners cannot use any SMG museum logo or any elements of its brand identity in any of its advertising or publicity for the event without the prior written approval of SMG; the partner will also ensure that advertising and publicity material does not imply that the commercial activity event is endorsed, supported or organised by SMG without the prior written approval of SMG.

SMG reserves the right, at its own discretion, to refuse a booking in exceptional circumstances, including but not limited to:

- the commercial arrangement or activity brings, or is perceived to bring, SMG into disrepute because the partner's activities are criminal or illegal
- partners or their guests may behave, or be anticipated to behave, in a way that would put our collections at risk or constitute a breach of the law, or cause a nuisance
- partners seek to sell tickets for the activity without the prior written approval of SMG
- the activity aims to achieve public profile through press or marketing that takes advantage of SMG's status and reputation, or is otherwise perceived to be seeking to exploit SMG's reputation, without the express permission of SMG.
- the activity will disrupt the normal operation of the museum, affect museum visitors or put SMG collections at risk
- the activity is political and breaches government guidelines relating public sector impartiality.

An outline of the escalation route and decision-making process for commercial events bookings is included in Appendix B.

## **Appendix A: Due Diligence Process**

### **Science Museum Group, UPDATED 30 April 2017**

SMG seeks and encourages funding from a range of sources including individuals, companies, charitable trusts and foundations and statutory funders.

Relationships with funders should be subject to prior and continuing consideration in order to confirm that they support SMG's mission, vision and strategic aims and are consistent with our overall objectives.

Careful review of proposed and on-going relationships is required to mitigate the risk of ethical issues causing damage to the SMG's reputation, reducing our ability to secure funding and reducing its capacity to develop beneficial relationships in the future.

Responsibility for the review of proposed funding rests with the Development Department, reporting to the Director of Development.

Our threshold for the due diligence process to be activated is £50k at the Science Museum, the National Railway Museum, Museum of Science and Industry and the National Science & Media Museum. The due diligence process will be triggered at a lower level if we are alerted to specific risks.

#### **What should due diligence include, when is the process activated and who does it?**

Due diligence research will be carried out by the research and analytics team within the Development Department. The due diligence procedure is activated when we are considering making a request for funding of £50k+ at the Science Museum, the National Railway Museum, Museum of Science and Industry and the National Science & Media Museum.

It will include:

- A summary of our existing relationship
- Gift information – where is the money coming from, how much and what for
- Source of wealth/income
- Giving history/benchmark against similar organisations (who else are they funding)
- Negative/positive press
- Highlight any areas for concern

#### **Referral Process**

The Research and Analytics Team within the Development Department conduct the research to the agreed format, checking resources in the public domain listed below.

The report goes to the Development Director in the first instance who will assess and decide if a referral to SMG Director and the Director of External Affairs is necessary.

If SMG Director and the Director of External Affairs have concerns they will refer to the Board of Trustees for final decision.

## Development Department - Due Diligence Report

Date:

1. Name of donor/prospect:
  
2. Existing Relationship to Museum:
  
3. Gift Information (where it is coming from, amount and what for):
  
4. Source of Wealth:
  
5. Giving history/Associations with other benchmark organisations (examples of partnerships, major philanthropic gifts):
  
6. Negative/Positive Press:
  
7. Any Areas of Concern:

Source Checklist	Y/N	Information Checked
Charity Commission (or other relevant organisation for non-UK donors)		Legal status of charity, latest accounts filed
Companies House (or other relevant organisation for non-UK donors) <a href="http://wck2.companieshouse.gov.uk/dirsec">http://wck2.companieshouse.gov.uk/dirsec</a>		Disqualified directors
Factiva (general press)		Negative & positive press
Dow Jones Risk & Compliance		Dow Jones Sanction & Watch lists, Politically exposed persons, known criminal associates
Any other sources		

## Process

1. Fundraiser to request the research team do a due diligence check on a potential funder once they are close to ask stage and they meet the threshold criteria (£50k across all museums: the Science Museum, the National Railway Museum, Museum of Science and Industry and the National Science & Media Museum. The due diligence process will be triggered at a lower level if we are alerted to specific risks).



2. Fundraiser to fill out sections 1 -3 of due diligence report



3. Research team to complete report within agreed time frame.



4. The report goes to the Development Director in the first instance who will assess and decide if a referral to SMG Director and the Director of External Affairs is necessary.



5. If SMG Director and the Director of External Affairs have concerns they will refer to the Board of Trustees for final decision.



6. This trail will be recorded on Raiser's Edge using the attribute Due Diligence Process which has a drop down menu as follows:

- Request for due diligence
- With research team
- Referred to Development Director
- Referred to SMG Director and the Director of External Affairs
- Referred to Board of Trustees
- Cleared
- Rejected.

We will date and record who has requested the report to be done – example below.

The Due Diligence Report is also saved on Raiser's Edge in the notes tab.

The screenshot shows the Raiser's Edge software interface for URENCO Limited. The 'Properties' tab is active, displaying a table with the following data:

Category	Description	Short Desc.	Date	Comm
Prospect List	Climate Change targets - MRR			
Prospect List	Climate Change targets - MRR			
Due Diligence	Request for Due Diligence		10/07/2015	Charlotte Webb

## **Appendix B: Commercial Events Bookings**

### **Science Museum Group, November 2016**

#### **Escalation route and decision-making process**

- Events team deal with initial booking enquiry and escalates to Events Manager (North or South) in the first instance;



- Events Manager reviews booking enquiry and refers to Group Head of Commercial Operations should they have any concerns;



- Group Head refers to Commercial Director, who will assess and decide if a referral to the SMG Director of Corporate Services and SMG Deputy Director and Chief Operating Officer (as the responsible Executives for SMG Enterprises) is necessary;



- If necessary, the SMG Deputy Director will escalate to the SMG Director and Director of External Affairs;



- If SMG Director and the Director of External Affairs have concerns they will refer to the Board of Trustees for a final decision;



- Event booking is accepted or rejected accordingly.