Mr Whippman

CONTINGENT LIABILITIES

Mr Fowler
Thanks
For file les GRO-C 27/6

Thank you for your minute of 6 June enquiring about the precise position over undertakings on indemnity given to mambers of the Committee on Safety of Medicines. Before replying, I sought the advice of our lawyers on this question.

2 Ministers are obliged to meet the <u>approved</u> expenses of the CSM. Paragraph 6 of Schedule 1 to the Medicines Act 1968 states:

"The Ministers shall defray any expenses incurred with their approval."

- 3 The offical minutes, CSM/85/8th Meeting, held on 19-20 September 1985 record:
 - "3.1 In reply to members' concerns regarding the possibility of personal liability followed the legal action initiated by the Opren Action Group, Mr Hale said that the Department would pay the legal costs and damages of any member who was personally subject to any action arising out of CSM business."
- 4 I am advised that the power to meet expenses would cover the cost of providing legal services.
- 5 Several members of the CSM have indicated that certain assurances were given when they were appointed regarding their own protection from liability.
- 6 Legal advice is that on the basis of the reported assurances and the minutes, it is most unlikely that the Department could escape from its 'undertakings'. It would certainly have a serious adverse effect on recruitment of future advisers were we to try; clearly, to do so would appear not to be in the public interest.

GRO-C

27 June 1986

D O HAGGER MB1 Room 1533 MT Ext **GRO-C**

cc Mr Hale (OR)
Miss Simkins
Mr Fowler
Mr Griffiths