

STANDARDS OF BUSINESS CONDUCT PROCEDURE

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APPROVED BY	Corporate Governance and Compliance Sub-Committee
ACCOUNTABLE DIRECTOR	Director of Governance and Compliance (Company Secretary)
PROCEDURE AUTHOR	Deputy Company Secretary

Procedure Statement/Key Objective:

To ensure that all Trust employees continue to maintain strict ethical standards in the conduct of NHS business.

Executive Summary

Title of Procedure:	Standards of Business Conduct
Subject:	Standards of Business Conduct
Applicable to: <i>(state Network, Services and staff groups)</i>	All Staff and Directors
Key Procedure Issues:	To ensure that all Trust employees continue to maintain strict ethical standards in the conduct of NHS business.
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Procedure written by: <i>(state title only)</i>	Deputy Company Secretary
Procedure Lead: <i>(state title only)</i>	Director of Governance and Compliance (Company Secretary)
In Consultation with:	Corporate Governance and Compliance Sub-Committee
Monitoring Arrangements:	Corporate Governance and Compliance Sub-Committee
Approved by: <i>(state group)</i>	Corporate Governance and Compliance Sub-Committee
Authorised by: <i>(state senior accountable person e.g. Network or Clinical Director)</i>	Deputy Company Secretary
Related Procedural Documents:	
Links to CQC outcomes:	

Table of Contents

1.0	Introduction.....	4
2.0	Scope	4
3.0	Definitions.....	4
4.0	Duties	4
5.0	The Procedure.....	6
5.1	Principles of Conduct.....	6
5.2	Declaration of Interests.....	6
5.3	Gifts & Hospitality	8
5.4	Outside Employment	8
5.5	Procurement.....	9
5.6	Sponsorship	10
6.0	Training	11
7.0	Further Guidance.....	11
8.0	References	11
	Appendix 1 DECLARATION OF INTEREST.....	12
	Appendix 2 FORMAL RECORD OF OFFERS OF GIFTS & HOSPITALITY	14
	Appendix 3 APPLICATION FOR SPONSORSHIP APPROVAL	15

1.0 Introduction

The purpose of this procedure is to ensure staff are aware of their responsibility as an employee of Lancashire Care NHS Foundation Trust in relation to declaring potential conflicts or gifts received. All staff are expected to maintain the highest ethical standards in the conduct of NHS business and this procedure has been developed to outline the process that should be undertaken.

The underlying principle of this procedure highlights that Public Sector bodies, which include the NHS, are to be impartial and honest in the conduct of their business, and their employees are required to remain beyond suspicion.

Under the Bribery Act 2010 it is an offence for employees corruptly to accept or offer any gifts or consideration as an inducement or reward for doing, or refraining from doing anything in his/her official capacity, or corruptly showing favour, or disfavour, in the handling of contracts.

Any staff who breach the provisions of this Act will be rendered liable to prosecution and may also lead to termination of employment and superannuation rights in the NHS.

Under the Association of the British Pharmaceutical Industry (ABPI) Code of Practice for the Pharmaceutical Industry, Pharmaceutical companies are to operate in a responsible, ethical and professional manner.

2.0 Scope

This procedure outlines the behavior expected from all staff employed by LCFT. It also applies to staff from partner agencies working for the Trust. It provides guidance on staff conduct so that all employees are aware of the standards expected by the Trust.

3.0 Definitions

Business Conduct

Standards of behaviour expected when involved in commercial activity

Interest

Involvement by an employee, family member or associate whether for money, money's worth or not, in a business or secondary employment where there is any relationship with LCFT or where there is the potential of a relationship that could impact on the delivery of the services provided by the Trust.

4.0 Duties

4.1 Executive Directors and Senior Managers

Are responsible for ensuring staff within their directorate/department/team are aware of the procedure and its implications and to respond appropriately when issues are highlighted.

4.2 Company Secretary

Is responsible for maintaining the Corporate Registers in a secure environment and for making them available for public inspection upon request. The Company Secretary will review and sign the declaration of interest register prior to it being reported to the Corporate Governance and Compliance Sub-Committee.

4.3 Managers/Team Leaders

Are responsible for determining whether a conflict of interest exists, liaising with the HR department when necessary, and acting in line with this procedure where a conflict may arise with an employee. Line managers should ensure the declaration of interest form is completed and mitigating measures recorded.

4.4 Human Resource Advisors

Are responsible for providing advice on the implementation and interpretation of this procedure to managers and staff.

4.5 Staff Side Representatives

Are responsible for highlighting content of this procedure to their members and to advise them appropriately

4.6 Corporate Governance Support

Is responsible for registering all declarations including nil returns on the Register of Interest which is managed by the Governance and Compliance Team. The Corporate Governance Support is also responsible for reporting all declared interest to the Corporate Governance and Compliance Sub-Committee annually.

4.7 Governance and Compliance Team

The declarations of interest register will be reviewed quarterly by the Governance and Compliance Team and annually by the Corporate Governance and Compliance Sub-Committee in April. Quarterly reminder emails will be circulated to Network Directors to cascade the message to all managers to communicate with their staff. Reminders will also be sent via Communications.

4.8 All Trust Staff

Are responsible for ensuring highest standards of business conduct are adhered to at all times and be aware of their individual responsibilities to maintain strict ethical standards in the conduct of Trust business.

All employees are required to declare all outside interests including secondary employment or voluntary activities or any other activity which may pose a conflict of interest to their employment with the Trust, to their line manager.

All employees should notify consultants or any external staff working for the organisation of the requirement to complete the declaration of interest.

It is the responsibility of **all** staff to ensure that they are not placed in a position which risks, or appears to risk, conflict between their private interests and their Trust duties.

5.0 The Procedure

5.1 Principles of Conduct

Trust staff are expected to:

- Ensure that the interest of patients' remains paramount at all times.
- Be impartial and honest in the conduct of their official business on behalf of the Trust.
- Use the public funds entrusted to them to the best advantage of the service, always ensuring value for money.
- Maintain the highest standards of integrity in all their business relationships both inside and outside the organisations in which they are employed.
- Foster the highest possible standards of professional competence amongst those for whom they are responsible.
- Optimise the use of resources for which they are responsible to provide the maximum benefit to the Trust.
- Reject any business practice which might reasonably be deemed improper.

It is also the responsibility of staff to ensure that they do not:

- Abuse their official position for personal gain or to benefit their family or friends.
- Seek to advantage or further private business or other interests, in the course of their official duties.

In applying these principles, staff are required to follow the guidance set out below.

5.2 Declaration of Interests

The Trust needs to be aware of the outside interests of its staff to ensure that those interests is neither inadvertently promoted by the Trust nor used to the detriment of the Trust and/or its patients.

In all cases where an employee, or his or her spouse/close relative/friend or associate, has a controlling and/or significant financial interest in a business (including a public sector or voluntary organisation) which may compete for or influence a contract to supply either goods or services to the Trust.

As an example, one particular area of potential conflict of interest which may affect patients is when a staff member holds a self-beneficial interest in private care or nursing homes. Such an interest must be declared and the employee **must not**:

- Recommend to patients or relatives the nursing/care home in which he/she has a beneficial interest
- Participate in the assessment of patients for discharge if that assessment is likely to conclude that private home care is required.

Staff must make sure they understand the guidelines on Standards of Business Conduct and consult their line manager if they are not sure. Staff must not place themselves in a position where their private interests and Trust duties may conflict.

Staff are required to declare any relevant interests or potential conflicts to their line manager. If staff are in doubt they are advised to ask:

- Am I, or might I be, in a position where I (or my family/friends) could gain from the connection between my private interests and my Trust employment?
- Do I have access to information which could influence purchasing decisions?
- Could my outside interest be in any way detrimental to the Trust or to patients' interests?
- Do I have any other reason to think I may be risking a conflict of interest?

This form applies to **ALL** Trust employees including Non-Executive Directors and Consultants. A declaration of interest form should be completed upon joining the Trust. This will then be valid for three years on the condition that it is reviewed at intervals of 12 months and there are no changes in your circumstances. Staff are responsible for declaring any interest as soon as they arise.

If you have no interests to declare you are required to submit a 'nil' return and your line manager should countersign to this effect.

When in doubt, staff should make a declaration. This will enable the line manager to consider whether a personal interest creates a conflict.

When evaluating an interest, the line manager should consider the employee's role within the organisation and the levels of associated influence within that role. For example, purchasing authority, referral within a related field.

Consultants, Associates, Specialists and other clinicians cannot undertake private medical work without the authorisation of the Trust and must not do such work on NHS time or premises without approval.

Consideration should be given to the reputation of Lancashire Care NHS Foundation Trust and line managers should question how third parties (such as Monitor or the Department of Health) could perceive the interest.

Where a declaration is made, it is the responsibility of the line manager to consider what mitigating actions can be taken to reduce the risk of conflict. Action subsequently required by the employee should also be recorded. This should be discussed with the employee and recorded on the declaration of interest form. This should be formally reviewed on an annual basis and a new form completed if required alternatively forms must be updated 36 months after the initial declaration.

If the line manager is uncertain if a conflict of interest exists or requires advice on what measures could be taken to mitigate the conflict, further guidance can be sought from the Company Secretary.

All declarations should be made using the form in Appendix 1 which should then be submitted to the Governance and Compliance Team at Corporate Office, Sceptre Point, Walton Summit, Preston PR5 6AW or via email to Company.Secretary@lancashirecare.nhs.uk

5.3 Gifts & Hospitality

Gifts Received

Casual gifts offered by contractors or others, e.g. at Christmas time, may not be in any way connected with the performance of duties so as to constitute an offence under the UK Bribery Act 2010. Such gifts are to be **politely but firmly declined**. Articles of low intrinsic value such as diaries or calendars, or small tokens of gratitude from patients or their relatives in the region of £20, need not necessarily be refused. If members of staff are unsure about what they can accept they should discuss the matter with their line manager in the first instance.

Under the ABPI Code of Practice, Pharmaceutical companies may not give gifts to a health professional or manager as an inducement to prescribe, supply, administer, recommend, sell or buy any medicine. The exception to this rule would be low value promotional aids that are relevant to the recipient's work. A low value promotional aid is one that has cost the company **no more than £20**, excluding VAT. Items of such value again need not be refused by staff. In cases of doubt staff are to either consult their line manager or politely decline acceptance.

Hospitality Received

Modest hospitality is an accepted courtesy of a business relationship. However, the recipient should not allow him or herself to reach a position whereby he or she might be deemed by others to have been influenced in making a business decision as a consequence of accepting such hospitality.

Lunches in the course of working visits, may be acceptable, though it should be similar to the scale of hospitality which the Trust would be likely to offer.

Hospitality invitations to purely social events should be very carefully considered. If the invitation is deemed to be appropriate, annual leave should be used to attend these events.

Likewise, hospitality by pharmaceutical companies in the form of lunches or similar evening entertainment in support of sponsorship for educational events is normally acceptable.

However under the ABPI Code of Practice the hospitality is to be secondary to the meeting, and of an appropriate standard. Lavish or deluxe venues are not to be used.

All gifts and hospitality accepted are to be logged on the Gifts & Hospitality Register within 7 days using the form (see Appendix 2) which should then be submitted to the Governance and Compliance Team at Corporate Office, Sceptre Point, Walton Summit, Preston PR5 6AW or via email to Company.Secretary@lancashirecare.nhs.uk

5.4 Outside Employment

Employees are advised not to engage in outside employment, which may conflict with their Trust work, or be detrimental to the performance of it. They are required to

inform their line manager of any current additional employment, public service or voluntary work performed and to make an official declaration using the declaration of interest form (see appendix 1). This is to ensure that there is no conflict of interest with their duties carried out on behalf of the Trust.

Before accepting new employment employees **must discuss this with their line manager** and their manager **must give their agreement** before a secondary offer of employment is accepted.

Managers are to consider the following in relation to the secondary employment:

- Potential conflicts of interest
- European Working Time Directive - further guidance can be provided by the Human Resources department where required
- Employee's current performance

Private Practice

Consultants and Clinical Specialists are permitted to carry out private practice subject to the conditions outlined in the handbook "A Guide to the Management of Private Practice within the NHS".

Fee Paying Work

All doctors are entitled to fees for other work outside their NHS Contractual duties e.g. examinations and reports for life insurance purposes and other health professionals may undertake private practice work for outside agencies or may support work undertaken by Consultants, providing they do not do so within the time they are contracted to the Trust, and they observe the conditions in the preceding paragraphs.

Doctors and dentists in training should not undertake locum work outside their contracts where such work would be in breach of the European Working Time Directive.

5.5 Procurement

All staff who are in contact with suppliers and contractors (including external consultants) and in particular those who are authorised to sign Purchase Orders, or place contracts for goods, materials or services, are expected to adhere to the principles outlined in this document, the Procurement Procedure, and the Trust's Standing Orders, Reservation and Delegation of Powers, and Standing Financial Instructions.

Favouritism in Awarding Contracts

Fair and open competition between prospective contractors or suppliers for NHS contracts is a requirement of the Procurement Procedure, and the Trust's Standing Orders, Reservation and Delegation of Powers, and Standing Financial Instructions.

This means that:

No private, public or voluntary organisation or company which may bid for NHS business are to be given any advantage over its competitors such as advance notice of requirements. This applies to all potential contractors, whether or not there is a relationship between them and the Trust, such as a long-running series of previous contracts. Any relationship which might, in the long term, prevent the effective operation of fair competition, is to be avoided.

All employees are to ensure that no special favour is shown to current or former employees or their close relatives or associates in awarding contracts to private or other businesses run by them or employing them in a senior or relevant managerial capacity. Contracts may be awarded to such businesses where they are won in fair competition against other tenders, but scrupulous care is to be taken to ensure that the selection process is conducted impartially, and that staff who are known to have a relevant interest play no part in selection.

Preferential Treatment in Private Transactions

Employees must not seek or accept preferential rates or benefits in kind for private transactions carried out with companies with which they have had, or may have, official dealings on behalf of the Trust (this does not apply to concessionary agreements negotiated with companies by Trust management for example, NHS staff benefits schemes).

5.6 Sponsorship

The principal use of sponsorship is to improve the quality of educational or scientific activities. This may include, but is not limited to, funding of all/part of the costs of staff posts; research; meetings and conferences; prizes and fellowships; public education materials; newsletters and scientific publications.

The contribution of sponsors in supporting development / educational activities is understood and appreciated and acceptance by staff of commercial sponsorship for attendance at relevant conferences and courses is acceptable, but only where the employee seeks permission in advance and the Trust is satisfied that acceptance will not compromise purchasing decisions in any way subsequent purchasing decisions.

The overriding principle is that the Trust retains control of the title and content of any event, the level of advertising and, in the case of meetings the level of hospitality. Acceptance of sponsorship by the Trust must never be represented by the sponsor as an endorsement of its products.

Individual products and brands are not to be referred to in any acknowledgement of sponsorship.

Company support for visiting speakers (honoraria, expenses) and/or other meeting costs (hall and equipment hire etc.) is acceptable only if the majority of speakers/presenters are **NOT** chosen by the sponsoring company. Speakers who have competing interests will be required to make a brief oral declaration to this effect at

the beginning of their presentations.

Reference to the donor organisation will be limited to display of the company name and/or logo on papers, and a discreet exhibition stand. The Trust requires the freedom to select or reject any speakers suggested by a sponsoring company; particularly where the possibility arises that the company recommendation reflects bias on the part of the proposed speaker towards the company's product(s).

All sponsorship must be approved in advance by either the Executive Director; Professional Lead or Network Director and recorded on the correct form (see appendix 3).

6.0 Training

There is no mandatory training associated with this procedure. Ad hoc training sessions based on an individual's training needs as defined within their annual appraisal or job plan.

7.0 Further Guidance

If any member of staff requires further guidance around this procedure they should contact their line manager in the first instance or the Company Secretary on 01772 676021; Company.Secretary@lancashirecare.nhs.uk

Alternatively should a member of staff have any concerns regarding a colleague who they believe is not complying with this procedure, confidential advice can be obtained from the charity, Public Concern at Work, 3rd Floor, Bank Chambers, 6 - 10 Borough High Street, London SE1 9QQ.

Telephone

Whistleblowing Advice Line: 020 7404 6609; General enquiries: 020 3117 2520

Email

UK advice line: whistle@pcaw.org.uk

8.0 References

- Bribery Act 2010
- Code of Practice for the Pharmaceutical Industry
- ABPI Code of Practice
- Chartered Institute of Purchasing and Supply Ethical Code
- Standing Financial Instructions (SFI)
- Purchasing Procedures Manual

DECLARATION OF INTEREST

This form applies to **ALL** Trust staff and is valid for three years.
 All staff must declare interests as soon as they arise.
 If you have no interests to declare you are required to submit a 'nil' return.

NAME	
JOB TITLE	
DEPARTMENT	

Part A – Declaration of Interest

Do you have an Interest to declare? Yes No

NATURE OF INTEREST:
 In accordance with the Trust's Standards of Business Conduct Procedure, I wish to declare the following 'interest/s'.

Do you envisage a conflict of interest between outside employment and your NHS employment?

Yes No

(Please explain below)

I understand that the above information will be recorded in a formal Register of Interests, a public document which will be available for inspection upon request by the general public. *(Please tick box)*

Cont. over /

Part B – Mitigating Control

Line Manager

What measures have you put in place to ensure that the possible conflict of interest is not inadvertently promoted?

I confirm that the information overleaf **does/does not** represent a Conflict of Interest where a conflict of interest is declared.

Line Manager Signature	Print Name	Date
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Employee

I agree with the measures put in place as discussed with my line manager and outlined above. I also confirm that the information contained on this form is correct to my knowledge.

Employee Signature	Print Name	Date
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Upon completion this form should be returned to the Governance & Compliance Team, Trust HQ, Sceptre Point, Sceptre Way, Walton Summit, Preston, PR5 6AW or scanned copy can be emailed to Company.Secretary@lancashirecare.nhs.uk

Date Received _____

FORMAL RECORD OF OFFERS OF GIFTS & HOSPITALITY

NAME	
JOB TITLE	
DEPARTMENT	

In accordance with Department of Health Codes of Conduct and Accountability and the Trust's Standards of Business Conduct Procedure, I wish to declare that I am in receipt of the following gift/hospitality.

Date Received	Received From (Name of Supplier)	Form of Hospitality/ Gift	Estimated Value

I understand that the above information will be recorded in the Gifts & Hospitality Register, a public document which will be available for inspection upon request by the general public.

Line Manager Signature

Print Name

Date

Employee Signature

Print Name

Date

Upon completion this form should be returned to the Governance & Compliance Team, Trust HQ, Sceptre Point, Sceptre Way, Walton Summit, Preston, PR5 6AW or scanned copy can be emailed to Company.Secretary@lancashirecare.nhs.uk

Date Received _____

APPLICATION FOR SPONSORSHIP APPROVAL

NAME	JOB TITLE	DEPARTMENT	ADDRESS
TELEPHONE			
EMAIL			
EVENTS DETAILS			
ORGANISER			
EVENT NAME			
DATE			
LOCATION			
BRIEF OUTLINE:			
SPONSORSHIP DETAILS			
PROPOSED SPONSOR			
CONTACT NAME			
CONTACT TELEPHONE			
OUTLINE OF SPONSORSHIP (what provided, what in return, etc)		ESTIMATED VALUE OF SPONSORSHIP	
BENEFITS TO THE EVENT AND TRUST:			
POTENTIAL RISKS:			
SIGNED:		DATED:	
RECOMMENDATION BY LINE MANAGER		The proposed sponsorship is appropriate and will not present any difficulties with service delivery	
NAME OF MANAGER			
SIGNATURE OF MANAGER			
DECISION OF EXECUTIVE DIRECTOR/PROFESSIONAL LEAD/NETWORK DIRECTOR: (please delete as appropriate)		APPROVED	NOT APPROVED
SIGNED:		DATED:	