

# *Committee Governance*

## Statement and Undertakings

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# Introduction

The Camden and Islington Pharmaceutical Committee (LPC) is the body recognised under NHS legislation with a duty to represent the NHS pharmacy contractors in the London Boroughs of Camden and Islington. The LPC is funded by the contractors it represents and is accountable to those contractors for the work that it does on their behalf and for the effective and economical use of LPC funds. High standards of corporate and personal conduct are a requirement for the LPC and its members and all aspects of the LPC's operations must be open to critical scrutiny.

To achieve these standards, rules and procedures need to be in place and that is what good governance is about: making sure the LPC is acting transparently, honestly and not in the self-interest of its members. This is important if the LPC is to have credibility with others: much of the LPC's external dealings are with the London Area Team of NHS England, with Clinical Commissioning Groups and local authority Health & Wellbeing Boards, all of which themselves have stringent requirements for good governance and will expect sound governance arrangements in the organisations they work with - such as the LPC.

It is a requirement for the LPC to provide the London Area Team with a copy of the LPC Constitution for approval and the LPC believes it is good practice for the AT to have sight of a statement of the LPC's governance arrangements – being seen to have good governance is as important as having the arrangements in place.



# Principles of Good Governance

Corporate governance has been defined by the Audit Commission as:

*'The system by which an organisation is directed and controlled in order to achieve its objectives and meet the necessary standards of accountability and probity'*

There is now an agreed and accepted set of principles for the foundation of a system of good governance and these are normally referred to as the Nolan principles. These principles were developed by Lord Nolan who, in 1995, chaired the Committee on Standards in Public Life. It was subsequently recommended that these principles should be incorporated into the codes of conduct of all public bodies.

The Nolan principles, as they apply to the LPC, are:

- **Selflessness** (Representativeness) - members must reflect the interests of the contractors who elected or appointed them to the LPC, and must make decisions in the interests of the general body of contractors; they must not make decisions in order to gain financial or other material benefits for themselves, family or friends.
- **Integrity** - members must not put themselves under any obligation that might influence their performance on the LPC or their ability to reflect the interests of the contractors who elected or appointed them or to make decisions in the interests of the general body of contractors.
- **Objectivity** - in making decisions and in carrying out the business of the LPC members should act within the constitution and make decisions only on merit.
- **Accountability** - Members of the LPC are accountable for their decisions and actions to contractors and the public and therefore submit to scrutiny.
- **Openness** - Members should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions, and restrict information only for short term tactical reasons, or when the wider public interest clearly demands.
- **Honesty** - Members have a clear duty to declare any private interest relating to their LPC duties, and take steps to resolve any conflicts arising.
- **Leadership** - Members should promote and support the above principles by leadership and by example.

The LPC accepted at its meeting of 6th May 2014 the above guiding principles for all current members. It was further noted that the effect of the principles of representativeness and integrity is that the nominating bodies can mandate the member to express a view, but cannot bind them in how they vote or decide on a particular issue. This means the member can hear and participate in debate, and is free to amend their view in the light of the debate. They will no doubt then reflect back to the relevant body why he made the decision they did, recognising his accountability.

New members of the Committee will be deemed to accept the principles and be asked to sign a copy to declare this.

# Governance and the Constitution

The LPC Constitution is the key document setting out the membership of the committee and the constitutional rules under which it operates. It has to be approved by contractors and the Area Team from which the LPC is seeking recognition.

Adherence to the constitution is a vital governance requirement and the constitution should be read and understood by all members and officers.

The LPC can only act within the powers that the constitution provides. An LPC must not go beyond its powers.

The constitution also gives explicit duties that bind the LPC such as the need to hold an AGM and provide services to contractors.

Before taking any non-routine action, the LPC must satisfy itself that the Committee has the power in the constitution to act in such a way; conversely the constitution must be examined to make sure the LPC is discharging properly the duties required under it.

# Governance in Practice

## Declaration of Interests

As part of transparency and accountability, members of the LPC should avoid any real or apparent conflict between the business of the LPC and their own personal or employer's interests.

Members should complete a Declaration of Interest form specifying sources of remuneration, names of Companies or other bodies in which the member has an interest and other sources of interest or pecuniary support which are relevant or which may be relevant to membership of the LPC (A Declaration of Interests form is shown in **Appendix 1**).

It is the responsibility of all members to review and update their Declaration of Interests on an ongoing basis and a request to do so should be a fixed item on the LPC meeting agenda. Additionally, an annual request is made in the Spring of each year to review and update.

## Conflict of Interest

There may be instances where an LPC member has a conflict of interest. In such cases, there is a duty upon that member to advise the Chair of a possible conflict of interest at that time. The Chair is then required to assess and deal with the conflict appropriately and may refer to the Governance Subcommittee for review.

Non-exhaustive examples of conflict of interest include:

1. Consideration of a contract application in which the member is personally involved or their employer's organisation is involved
2. Employment by a company or organisation that provides services to the LPC
3. Employment with the Area Team, a CCG, LETB or a local authority
4. Conflicts of interest may also arise through spouses, partners or children and these interests should be declared to the Chairman appropriately

Non-exhaustive examples of where a breach of these guidelines may occur include:

1. Use of information obtained through LPC meetings/business that is used for an individual's own financial gain or advantage
2. Personal or financial gain from a company or organisation that provides services to the LPC without prior declaration and consideration
3. Placing a contract on behalf of the LPC with a company or organisation that was managed by a business colleague, close friend or family member

Actions to deal with conflict of interests:

- Exclusion from the relevant part of the meeting/business
- Prohibiting the member the right to vote on the issue
- Referral to the Governance Subcommittee where interest undeclared
- Process for investigation as defined by LPC Governance Statements and Undertakings which can be found in **Appendix 5**

Actions to deal with breach of guidelines:

- Suspension from the LPC where an apparent breach of Governance warrants investigation by the Governance Subcommittee.
- Where a breach is proven, the member will be expelled from the Committee.

The most common incidence of conflicts is in the consideration of a contract application in which the member is personally involved. In such cases, there is a duty upon members to advise the Chairman of a possible conflict of interest. The member or members are then required not to take part in any of the discussion of the contract application until a decision is reached and agreed upon by a vote. The excluded members are then allowed, if they wish, to make a statement, which may bring facts to light that previously had not been known. The committee will then reconsider its decision in light of the statement(s) and any change in decision will be clearly minuted.

Clearly, members should not attempt to influence other members through canvassing or other activity prior to the meeting.

The LPC believes that, whilst there may be items that provide conflict of interest between LPC membership and employment by the AT, a CCG LETB or a local authority, e.g. as a pharmaceutical advisor, such employment would not necessarily prevent LPC membership.

## Confidentiality

LPC members and in particular LPC Officers, during the course of their work, produce or acquire commercially sensitive or otherwise confidential information.

Sometimes there is an apparent conflict between confidentiality and openness. Whilst the LPC is open and transparent about the conduct of the Committee and its Members, some information will be kept confidential. This is covered by a Confidentiality Agreement that covers information given to the LPC in confidence, commercial information, and sensitive personal information. Not divulging such information does not break the Nolan principles, but careful judgement will always be taken as to whether openness or confidentiality should take precedence.

As a matter of good governance, all the LPC Officers and members have signed a Confidentiality Agreement, a copy of which is provided at **Appendix 2** for information.

## Corporate Responsibility

During a debate on an issue at an LPC meeting, members are able to express their views freely and firmly. However, once a decision has been taken by the LPC then that decision is binding on all members irrespective of any counter views, which may have been expressed during the debate.

Corporate responsibility means that individual members will publicly state only the LPC's collective view on an issue and, as an LPC member, will not say or do anything to undermine the LPC's position.

It is important that LPC members make sure they are aware of the views and concerns of the contractors they represent - where a decision is to be made that will significantly affect contractors or a major financial expenditure is planned a more formal consultation may be needed or a meeting of

contractors may need to be called. The definition of 'major' in this instance requires further LPC consideration.

## Openness and Transparency

LPCs are accountable to contractors for the way in which they conduct their business, which should be done in an open and transparent manner.

As a matter of good governance, the agenda and minutes for LPC meetings are made freely available from a website where contractors and any other interested party can read it; alternatively, in the absence of web access, the LPC will provide a hard copy to anyone that requests them.

The only caveat to this is that where certain confidential information is being considered, particularly commercially sensitive information, then these items are minuted separately and available to members only.

The LPC always ensures that an Annual General Meeting is held, to account to contractors on the work of the Committee and its finances. Sufficient notice is given to all contractors of the AGM and provision made for questions and comments to be put by contractors to the Committee at the meeting.

The Annual Report and Accounts are available to every contractor at the AGM, by download from the website or upon request. At the AGM the treasurer should explain the accounts to contractors focussing on any unusual items of expenditure, the honoraria paid to officers of the LPC if not clearly shown in the accounts, standard allowances paid to LPC members for their work. The treasurer should also provide information on levy collections and expenditure in the current year at regular LPC meetings.

## Financial Governance

Many of the principles of governance impinge on financial accountability. Contractors who fund the LPC will expect openness and accountability in the way their levies are spent.

To help achieve this, the roles of Chief Officer, Chair, Vice Chair and Treasurer are clearly separated and the posts are held by different people. The accounts are operated such that there needs to be two separate signatures on cheques. The treasurer may not hold any other Officer role within the LPC.

The treasurer gives regular updates on finance at each meeting of the LPC (via written management accounts) and prepares annual accounts in sufficient detail, audited by a professional with a practising certificate. Those accounts should be made available to contractors with the opportunity to query the accounts at the AGM. A copy of the accounts is also sent to the PSNC and the CCA.

The levies collected from contractors can only be used for the purpose intended set out in Section 167 of the National Health Service Act 2006, as amended, i.e. to defray the administrative costs of the LPC.

A copy of the LPC's expense policy is included in **Appendix 3**.

## Working with the Industry

The Committee recognises the potential benefits of engagement and partnership working with the Pharmaceutical Industry; however, this must conform to the LPC's governance policy and operate within the Association of the British Pharmaceutical Industry (ABPI) guidelines.

A copy of the LPC's policy on working with the Pharmaceutical Industry and Receipt of Hospitality and Sponsorship can be found in **Appendix 4**.

## Delegation of Powers

The LPC operates a number of sub-committees that deal with locality issues and debates. The LPC shall set out very clearly the remit for the groups with absolute clarity in the powers that the group has, together with an instruction that no action should be taken by the sub-group beyond its remit and powers without referring back to the LPC. Other working groups that are formed at such time as events require them shall have their remit and powers similarly defined.

Similarly, the LPC may delegate power to individuals such as the LPC Chief Officer or Chair - often this is power to act in an emergency where it is not possible to call the LPC together.

The nature and limits of such delegation will be provided in writing to the individuals or subcommittees and will be adopted formally by resolution of the LPC, at quorate LPC meetings (or quorate electronic meetings) and minuted.. No sub-committee has delegated powers, other than as stated above, and all sub-committees are accountable to, and are to report to the main LPC.

## Sub-committees

C&I LPC has a number of sub-committees.

### **Finance Sub-committee (adapted from CCA guidance)**

For finance there should be small group of LPC representatives sitting on a Finance Sub-committee whose function should be to scrutinise the current accounts, expenditure versus budget and to develop a proposed draft budget for each financial year and present this proposal to the LPC for ratification. As a consequence this group may make suggestions regarding the scale of the statutory or other levies. Decisions made at this sub-committee should be reported back to the main committee by the treasurer for approval; the sub-committee CANNOT make decisions on its own without ratification by the main committee. The Chair of the Finance Sub Group shall be the LPC Treasurer

#### **Terms of reference**

- Should consist of at least three elected or appointed members of the main committee, with a designated lead. The LPC Treasurer shall be the Chair and designated lead of the Finance sub-committee;
- Accountable to the main committee and present management accounts to the LPC at each normal LPC meeting.
- Meet as required (face to face or by teleconference); the Finance Lead should consider after each LPC meeting whether the Finance Subcommittee needs to meet. If so, meetings should, where possible, usually take place within two weeks of the LPC meeting. The Subcommittee may need to meet more frequently should a specific issue arise which needs further discussion and agreement. The sub-committees may meet during the "sub-committee breakout" session of the LPC "main" meeting
- Report regularly to the main Committee;
- Where a Finance Subcommittee member has a conflict of interest they shall step down from the discussion and the other representatives within the Finance Subcommittee shall make the decision. If there are circumstances that require further input then the Chief Officer or other Officer shall be recruited on a needs basis to review the issue with the Finance Subcommittee;
- Should report to and take questions from the AGM.
- The treasurer should at each LPC meeting submit reports to the Governance Subcommittee of all members' expenses claims and these should be made available to the whole committee via the LPC cloud;

### **Communications Sub-committee**

- Provide oversight of the LPC's communications strategy and provide support to the CEO for this strategy
- Should consist of at least two elected or appointed members of the main committee, with a designated lead.
- Accountable to the main committee
- Report regularly to the main Committee

### **Stakeholder Sub-committee**

- Provide oversight of the LPC's stakeholder strategy and provide support to the CEO for this strategy
- Should consist of at least two elected or appointed members of the main committee, with a designated lead.
- Accountable to the main committee
- Report regularly to the main Committee

### **Contractor Support Sub-committee**

- Provide oversight of the LPC's contractor support strategy and provide support to the CEO for this strategy
- Should consist of at least two elected or appointed members of the main committee, with a designated lead.
- Accountable to the main committee
- Report regularly to the main Committee

### **Governance / Strategy Sub-committee (including PNA and Market Entry)**

- Enforcing Governance
  - The LPC believes that the spirit in which we operate is one of relying on trust and members' integrity. However, a Governance Subcommittee has been established:
- Purpose
  - To ensure the honesty, integrity and probity of the committee;
- Nolan Principles
  - Rules shall be clear and understood by all members of the committee and available to contractors to view;
  - All expenses must be legitimate and justifiable.
- Terms of Reference
  - Should consist of at least three elected or appointed members of the main committee, with a designated lead to be the first point of contact. The LPC Chair shall be the Chair of the Governance sub-committee;
  - Accountable to the main committee; decisions made at this sub-committee should be reported back to the main committee by the subcommittee lead for approval; the sub-committee CANNOT make decisions on its own without ratification by the main committee
  - Meet as required (face to face or by teleconference); the Governance Lead should consider after each LPC meeting whether the Governance Subcommittee needs to meet. If so, meetings should, where possible, usually take place within two weeks of the LPC meeting. The Subcommittee may need to meet more frequently should a specific issue arise which

needs further discussion and agreement. The sub-committees may meet during the "sub-committee breakout" session of the LPC "main" meeting

- Report regularly to the main Committee;
  - Report if confidential information has been discussed within the Governance Subcommittee but cannot be shared. This information will be shared once the situation has been resolved if acceptable to all parties;
  - Where a Governance Subcommittee member has a conflict of interest they shall step down from the discussion and the other representatives within the Governance Subcommittee shall make the decision. If there are circumstances that require further input then the Chief Officer or other Officer shall be recruited on a needs basis to review the issue with the Governance Subcommittee;
- Actions
    - The treasurer should at each LPC meeting submit reports to the Governance Subcommittee of all members' expenses claims and these should be made available to the whole committee via the LPC cloud;
    - Governance Subcommittee to be able to require any LPC member to report directly to it;
    - To investigate all complaints or allegations made against members of the committee.

Significant breaches of governance may lead to the individual being asked to consider their future position on the Committee.

This Committee should be appointed at the first meeting of each new election. New appointments should be made if a member resigns.

## Governance Health Check

A failure by the LPC to have sound governance arrangements in place could result in challenges or possibly legal action against the LPC by contractors suffering injustice or financial loss as the result of the LPC's weak or lacking governance framework.

As unincorporated associations such a claim could mean that LPC members personally would be liable for any costs or compensation as a result of any successful legal action by an aggrieved contractor.

Good governance arrangements, soundly adopted, provide a useful safeguard for LPC members and engender confidence in and respect for the actions of the committee.

# APPENDIX 1

## Corporate Governance CODE OF CONDUCT – DECLARATION OF INTERESTS

Name: \_\_\_\_\_

1.	Remunerated Directorship of company(s) (public or private) and businesses owned personally or in partnership	
2.	Remunerated employment or Office	
3.	Remunerated Consultancy(s)	
4.	Remunerated work performed under contract	
5.	Names of companies or other bodies in which I have an interest (either on my own account, my spouse or infant children, for a beneficial interest in share holdings greater than the 10% of the share capital)	
6.	Remunerated contributions to professional and scientific publications	
7.	Other sources of income or pecuniary support relevant to my membership of the LPC	
8.	Membership of other pharmaceutical bodies	

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

# APPENDIX 2

## Corporate Governance CONFIDENTIALITY AGREEMENT FOR LPC MEMBERS

Name: \_\_\_\_\_

I understand that as an LPC member I may have sight of or acquire information that will be commercially sensitive or may for other reasons be information that the LPC or the pharmacy contractor(s) to whom the information relates would not wish to be communicated to third parties.

I acknowledge my obligation to ensure that I do not make use of any such information for purposes other than those of the LPC. I further acknowledge that all information received from or about contractors that relates to their business and financial affairs may not be disclosed to anyone without the express consent of the contractor to whom it relates, in which case the disclosure will be through the LPC Chief Officer.

I will make full disclosure to the LPC of all appointments or offices held by me and I will consult the LPC prior to accepting any appointment or office that may reasonably be thought to be relevant to my membership of the LPC.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

# APPENDIX 3

## CORPORATE GOVERNANCE

### EXPENSES POLICY

#### PURPOSE

To provide a policy whereby Camden and Islington LPC members will be reimbursed for actual expenditure incurred wholly, exclusively and necessarily in the course of LPC business activities, travel, meetings and entertainment provided that such expenses were in accordance with the requirements of the policy.

#### 1. Introduction

This document sets out in detail the Camden and Islington LPC expense policy that is to be applied from the 24<sup>th</sup> November 2014.

The LPC will reimburse members and employees for reasonable business expenses incurred on the LPC's behalf whilst they are engaged in authorised business or training activities provided they fall within the limits set by this policy. It is our intention that members should neither gain nor lose financially as a result of incurring expenses on LPC business. LPC members are subject to Inland Revenue rules and guidelines as to what is allowable as a business expense. It is therefore important that all claims adhere strictly to the policy.

Expenses defined as 'reasonable' are those that are cost effective when weighed against the purpose of the business activity. Members are responsible for the settlement of any business expenses incurred and for reclaiming these costs through the process set out in this document.

Any breach of this policy will be referred to the Committee for consideration under the LPC's Governance Statement.

It is each LPC members' responsibility to ensure that their LPC expenses are submitted within the time designated. Failure to do so may result in claims not being approved.

#### 2. Submission of claims for reimbursement

2.1 Members are expected to:

- Submit claims within SIX months of the expenditure and present those cheques for payment within two months. All claims must be submitted by the 4<sup>th</sup> of April, any claims received beyond this date will not be paid
- Provide copies of invoices, receipts or itemised bills to support all expense claims
- Submit claims that:
  - Are on the agreed C&I LPC expenses form. The form shall be fully completed and compliant with this expenses policy
  - The expenses form shall be accompanied by copies of invoices and receipts / itemised bills to support all expenses claimed. A robust meeting report shall be provided where the members attended a meeting.
  - Claims are to be handed to the Treasurer in person or posted to the LPC PO Box address **and** e-mailed to the treasurer **AND** the CEO

## 2.2 Authorisation/ limits:

- There will be a standing Finance Sub-committee of the LPC. This will consist of a minimum of 3 members, one of whom must be the elected LPC treasurer
- LPC member pre-approved meeting attendance is outlined in the "C&I LPC Approved Meeting attendance" document
  - For meetings not specified in this document LPC members must gain prior approval. Approval for attendance at such meetings must be sought from two LPC members who can be drawn from either: the Chair, the CEO, a member of the finance sub-committee, a member of the Governance sub-committee. It should be demonstrable that attending such meetings is in line with LPC business plan and allocated budget
- Expenses claims must be signed off for approval by 2 members of the Finance Sub-committee. If they are not available then other approved LPC cheque signatories are acceptable. A member of the Finance subcommittee must be one of the signatories. No LPC member can sign off their own expenses. Single items of expenditure or activity exceeding £500 should be pre-approved with the treasurer, CEO and Chair in advance. Written audit of this pre-approval is to be filled (in the LPC cloud)
- The Finance sub-committee should investigate any claims which fall outside of this expenses policy and where necessary seek additional guidance from the LPC.
- **Any attempt to submit a false expense claim will be treated as a serious offence and will be dealt with in accordance with the LPC's Disciplinary Procedures and Rules for the Conduct of Committee members and employees.**

## 2.3 Payment:

- Expenses will be paid via cheque. Committee members and employees must, when requested, provide appropriate details to the treasurer to allow claims to be processed.
- The LPC will make expenses payments within 28 days of an expenses claim being approved.

## 3. Expenses claim allowed

The LPC constitution allows the LPC to agree the remuneration and expenses policy and is intended to ensure that no LPC member suffers financially from attending a meeting on the LPC's behalf.

If expenses claims are not approved then the payment will not be paid. A formal written appeal can be made to the whole Committee.

### 3.1 Locum Expenses/Attendance Allowance:

- Where a locum or internal relief pharmacist is employed, members will be reimbursed full costs when locum details/invoice is produced. If the locum day rate is greater than £250, this must be pre-authorised by the Treasurer. If the Treasurer is unavailable, authorisation should be sought from the Chair. Neither the Treasurer or the Chair may pre-authorise a payment for themselves, in this case they should seek pre-authorisation from the CEO
- Where no locum or internal relief pharmacist is employed members will receive a displacement payment of £100. This will be paid to the LPC member's employer.
- The expectation is that members will attend the full duration of meetings.
- If a member attends the whole of a full day meeting they will be paid for the entire day. If a member attends less than 75% of an individual full day meeting they will not qualify for "full day"

attendance" but will be allowed to claim on a pro-rata basis. Members are required to notify the Chair/CEO within 30 minutes of the start of the meeting if they will be late to the meeting. It is expected that members will arrive on time & stay until the end of meetings, but it is accepted there may be some exceptional circumstances. The finance sub-committee will decide on the validity of any exceptional circumstances. If the member is not in agreement with this decision a formal written appeal can be made to the whole LPC.

- For all external meetings where there has been a charge to the LPC, if the member does not attend, this will lead to the LPC claiming reimbursement from the member. The finance sub-committee will decide on the validity of any exceptional circumstances. If the member is not in agreement with this decision a formal written appeal can be made to the whole LPC.
- This applies to LPC meetings and all other external meetings attended by members.
- Members, for whom a pharmacist is not employed to backfill, will not claim for attendance at short meetings (c. 2 hours)

### 3.2 Travel/ Transport:

- Individual travel expenses for LPC members in excess of £15 are to be pre-approved by the Treasurer

### 3.4 Accommodation:

- Accommodation may be claimed if members are required to attend a location on LPC business and this location is sufficiently far away from home or normal place of work to make a return journey unreasonable.
- Daily limits for overnight accommodation are up to £95 per room per night to include breakfast. All overnight accommodation shall be pre-approved
- If commitments require evening travel and/or accommodation then a meal up to the value of £30 may be claimed if required

### 3.6 Miscellaneous:

- The Chairman's Honorarium will be £500 paid annually in arrears.
- The Treasurer will receive an honorarium of £250 paid annually in arrears for work on preparing the accounts
- Members carrying out sessional work for the LPC will be paid at the rate of £21/hr, locum backfill cannot be claimed alongside this. The CEO will decide the amount to pay for additional work to be carried and confirm with the member and Treasurer if this is appropriate. If the additional work is to be carried out it will be provided if it is approved by two of the following: the Chair, the CEO, a member of the finance sub-committee, a member of the Governance sub-committee. The treasurer or a member of the finance committee must be one of the signatories.
- Where a pharmacist non LPC member is used to carry out sessional work for the LPC they will be paid at rate of £24 /hr (this will include all normal expenses, eg phone calls, reasonable travel etc). Any exceptional expenses will have to be pre-approved by the treasurer. The length of time sessional work should take is to be agreed in advance with the CEO.

- Other legitimate claims will be considered.

#### **4. INLAND REVENUE**

Failure to conform to these guidelines may give rise to personal tax charges on the individuals making the claim. The Inland Revenue requires under Self-Assessment that records of expenditure and mileage are kept for 6 years. Please ensure when completing expense claims that they are explicit as possible. The Inland Revenue may review them at any time.

#### **5. ANNUAL REPORT**

Member's expenses will be declared to contractors in the LPC Annual Report.

#### **6. CONTACT DETAILS**

If you have any queries regarding an expenses claim please contact the Treasurer

## Camden and Islington LPC expenses claim form (v16Jan15)

		Please complete boxes 1-12		
1	Date of claim	...../...../.....		
2	Reason for the claim			
3	Amount of the claim			
4	Name			
4.1	Make cheque payable to			
5	Address			
6	Attached copy invoices	Yes / No (delete as applicable)		
7	I confirm I have incurred these expenses necessarily while conducting LPC business	Yes / No (delete as applicable)		
8	Meeting Report	If payment relates to a meeting a meeting report is attached Yes / No (delete as applicable)		
9	I have not claimed for any of the above from another organisation	Yes / No (delete as applicable)		
10	I accept liability for the correct taxation of these expenses	Yes / No (delete as applicable)		
11	Has a copy of this claim & all associated invoices been e-mailed to the treasurer AND the CEO	Yes / No (delete as applicable)		
12	Signature to confirm the above			
<b>For Finance Sub-com to complete</b>		Name	Date	Signature
	1 <sup>st</sup> approval Name, Signature & date.		...../...../.....	
	2 <sup>nd</sup> approval Name, Signature & date.		...../...../.....	
	Payment date	...../...../.....		
	Payment process (Please circle)	Cheque / Other (if other then specify)		
	Payment reference / cheque number			
	Has electronic version (ie scanned & converted to PDF) of this <b>fully</b> completed form & associated invoices been e-mailed to CEO to place in LPC cloud	Yes / No (delete as applicable)		
	Has the LPC management accounts spreadsheet been updated to include this claim	Yes / No (delete as applicable)		
	Notes			

**Copies of this form are available on the LPC cloud**



# APPENDIX 4

## CORPORATE GOVERNANCE

### Principles for working with the Pharmaceutical Industry and Receipt of Hospitality and Sponsorship

The aim of this document is to set out a policy for working with commercial organisations, including the pharmaceutical industry.

#### 1. General principles for consideration

- 1.1 It is against our governance principles for LPC members or employees to accept any gifts or reward for:
  - Doing, or refraining from doing, anything in their official capacity.
  - Showing favour or disfavour to any person in their official capacity.
- 1.2 Members are expected to:
  - Ensure that the interest of the contractors remain paramount at all times.
  - Be impartial and honest in the conduct of their official business.
  - Use funds entrusted to them to the best advantage for the contractors, ensuring value for money.
  - Ensure that they do not abuse their position for personal gain or to benefit their family or friends.
  - Ensure that they do not seek advantage or further private business or other interests, in the course of their official duties.
  - Identify, declare and resolve where possible any potential conflicts of interest.
  - Make clear the arrangements for monitoring and evaluation of any agreement.
- 1.3 Sponsorship should not compromise purchasing or committee decisions.
- 1.4 Data is confidential and may not be shared with the Pharmaceutical Industry/commercial organisations, unless this falls within the requirements of the Freedom of Information Act 2000. Requirements of the Data Protection Act, Caldicott principles etc also apply.
- 1.5 It should be made clear that acceptance of sponsorship does not imply endorsement of any product or company.
- 1.6 When organising any sponsorship, members should always consider approaching a number of potential sponsors so that the LPC is not seen to be favouring one particular company or product.
- 1.7 No one organisation will be given preferential treatment or competitive advantage
- 1.8 If the LPC becomes aware of any unapproved sponsorship, swift and appropriate action must be taken to bring the situation within the requirements of the policy

## 2. Applications

- 2.1 All initiatives / schemes / sponsorship must have LPC agreement before they may start.
- 2.2 The Governance Subcommittee will periodically report to the LPC on commercial sponsorship
- 2.3 All ventures must meet the following requirements:
  - Open and transparent working relationships between the LPC and commercial company
  - The objectives of collaboration are clearly stated by each party and are defensible
  - Represent good value for money.
  - Clearly define the benefits of the initiative for both parties.
  - Demonstrate probity.
  - Support the delivery of local strategic aims.
  - Any resultant service and cost implications arising from the sponsorship are considered.  
(Consider short and long term implications, particularly where an initiative is to 'pump prime' a service).

## 3. Hospitality

- 3.1 Hospitality must not be provided to health professionals and managers except in association with scientific and promotional meetings or similar.
- 3.2 Meetings must have a clear educational content.
- 3.3 Hospitality must be secondary to the purpose of the meeting.
- 3.4 The level of hospitality must be appropriate and not out of proportion to the occasion.
- 3.5 Hospitality costs should not exceed the level, which the recipients would normally adopt when paying for it themselves.
- 3.6 Attendance should not extend beyond those whose role makes it appropriate for them to attend.
- 3.7 Meetings, which are sponsored by external sources, must disclose that fact in the meeting papers and in any published proceedings.
- 3.8 Attendance at social or sporting events is usually considered unacceptable.

## 4. Records

- 4.1 All offers of gifts, hospitality or other benefits other than sponsorship of educational events or provision of educational materials, worth more than the value stated by the ABPI Code of Practice (currently £6.00) must be declared (whether accepted or not) to the Governance Subcommittee (this would also apply where several gifts worth a total of over £100 are received from the same or closely related source in a 12 month period).
- 4.1 Records will be kept, detailing the nature of the sponsorship. Records to be posted on the LPC website within 21 days of the sponsored event or within the minutes of relevant meeting e.g. LPG meeting
- 4.1 These records will be subjected to audit by the Governance Subcommittee.

## Definitions

**Commercial sponsorship** - is the act of obtaining funding or resources for LPC activities from an external source and includes:

- Funding for research, training and equipment
- Costs associated with meetings
- Printing of publications e.g. guidelines, patient information leaflets etc
- Gifts
- Hospitality including meals associated with working visits, venues for training etc
- Personal hotel and transport costs (including trips abroad)
- Provision of free services such as training events, use of buildings, premises or facilities

**Commercial Sponsorship Notification**

FROM:	ADDRESS:
TEL:	
FAX:	
EMAIL:	

**Event details**

Organiser:
Event name:
Date(s):
Location:
Brief outline and statement of objectives (attach full details if applicable):

**Sponsorship details**

Proposed sponsor:
Contact name:
Contact tel:
Outline of sponsorship (financial value, what provided, what in return, attach full details if applicable)
Benefits to the event and LPC:
Potential risks:

SIGNED: \_\_\_\_\_ DATE: \_\_\_\_\_

<i>For LPC use only</i>		
<i>Decision: approved / not approved / referred to panel meeting</i>		
<i>Name</i>	<i>Signature</i>	<i>Date</i>

### Receipt of Hospitality During the Course of Official Business

To be completed for benefits including hospitality, gifts or sponsorship, offered (whether or not received) with a value of more than £6, or for several smaller benefits from the same or closely related source in a 12-month period.

Name:
Position:
Date:

Nature of benefit offered:
Value:
Company from which received:
Name of company representative (if applicable):
Was the benefit accepted?  Yes / No

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SIGNED:

DATE:

Please return to:

*Chief Officer, Camden and Islington LPC, PO Box 699, Pinner. HA5 9NZ*

This should be received within 28 days after the offer of hospitality

## **Guidance on Conducting Investigations into potential breaches of Camden and Islington LPC Governance**

Disciplinary and Grievances in the workplace affecting employees of the LPC are outside the scope of this procedure. The Chair is directed to the Employment Act 2002 (Dispute Resolution) Regulations 2004 to ensure compliance with statutory procedures.

### Principles

- The outcome will not be pre-judged
- We will seek to explore and understand early on in the process
- Potential issues of Governance would be considered fully and sympathetically
- The issue(s) will be defined along with the need to investigate further
- We seek to elicit facts (to find out what actually happened rather than arouse emotional reactions on what it is thought happened)
- Confidentiality will be respected
- The individual(s) will be kept appropriately informed
- The process will be conducted in a spirit of openness and fair play which avoids any bias
- The Governance Subcommittee will seek to resolve any issue quickly and within designated timescales
- There may be a requirement to differentiate between employees of the LPC and committee members and if this is the case, it will be documented as to why
- Employee statutory rights will be adhered to during this process
- This process is not for performance-related issues
- If the investigation involves a Governance Subcommittee member then an Officer would be asked to deputise so that a decision is made by at least three individuals
- The decision will be evidence-based
- We are committed to continuous learning and improvement and welcome early feedback

### Guidance on Investigative Procedure

- The issue(s) will be brought to the attention of the Governance Subcommittee, usually the Governance Subcommittee Lead in the first instance, from a number of sources e.g. by another member of the LPC, by a contractor, by an external agency such as Area Team, etc.
- Examples of potential issues include questions regarding LPC conduct, undisclosed conflict of interest, inappropriate use of LPC funds, failure by LPC member to attend three consecutive meetings, breach of corporate governance, breach of LPC confidentiality, misconduct.
- The issue should be recorded by the Governance Subcommittee Lead and some initial inquiries made to decide whether an investigation is appropriate. The other members of the Governance

Subcommittee would be made aware and a decision made as to whether a further investigation is needed and whether the GC committee needs to meet.

- The Governance Subcommittee would work with the Chair of the LPC and keep them informed throughout the process.
- A decision would be made as to whether the potential issue concerns an employee of the LPC, in which case, it will be referred back to the Chair to ensure compliance with the Employment Act.
- Some concerns may be resolved by agreed action without the need for investigation.
- If urgent action is required this must be carried out before any investigation is conducted.
- The Governance Subcommittee will recognize whether they have the necessary knowledge to understand the situation and implication and if not, will work with someone within the LPC who has.
- The Governance Subcommittee will record fully the investigation process and ensure compliance with the Data Protection Act.
- The Governance Subcommittee will provide a debriefing/closure for all in due course and this will be considered throughout the process so that events are accurately recorded.
- An investigation should be carried out as soon as possible after the event in question.
- Timescales will be set by the Governance Subcommittee based on the nature of the investigation with a target completion date rather than a rigid standard (this recognises that some issues will be quickly resolved whilst others may take more time to review)
- The Governance Subcommittee will seek to define the issue, what is known, what needs to be known and how this information can be sought. During the course of the investigation, questions of confidentiality may arise. Two principles are useful in determining whether information should be released concerning a member/employee/allegation, etc.
  - a. Does the individual need to know (e.g. in order to be able to fully cooperate with the investigation?)
  - b. Might releasing the information enable important facts to be gathered which could not have been otherwise?
- Under the principle of openness, the individual is more likely to be informed of the need to investigate.
- The Governance Subcommittee will advise the individual, personally (phone or in person) and in writing, that there is a potential issue and that an investigation is being carried out. This would normally be done within one working day of the Governance Subcommittee deciding that an investigation is necessary and having defined the issue. Support would be offered.
- The Governance Subcommittee would plan the investigation required in order to establish the facts. The Governance Subcommittee would identify and gather relevant documents which provide facts

concerning the alleged incident/issue and ensure relevant statements are taken which provide facts concerning the alleged incident.

- The Governance Subcommittee would invite comment from the individual(s) concerned or LPC (if the complaint is about LPC conduct) in a way that is appropriate and suits the situation. Questions asked would depend on the nature of the alleged issue/incident. This would normally be done within 7 days of the initial contact with the individual(s). This could be done face to face, by telephone, email or within a meeting and in line with the individual's preference. The date, time and venue for the interview will be confirmed in writing.
- When interviewing an individual, they should always be advised that they have the right to be accompanied by another person of their choice. The Governance Subcommittee will inform the individual of the nature of the issue so that they are clear as to how to respond to questions. It is likely that only one member of the Governance Subcommittee is required to interview the individual(s) concerned. The meeting will be conducted in such a way as to allow both parties to explain their position.
- The Governance Subcommittee would produce and consider a full report of the investigation; the facts established and highlight key issues emerging in order to make a decision.
- It is possible, soon after an investigation is commenced that it is concluded that there is no case to answer. In such circumstances the Governance Subcommittee will make immediate contact with the Chair to discuss its views since the authority to abort the investigation rests with him/her. However, there must be sufficient documentary evidence to support this decision and an appropriate audit trail would be helpful at such a juncture.
- The Governance Subcommittee will be mindful of their competence and may wish to seek external advice before making a decision. If insufficient information is available for a decision then the Governance Subcommittee would seek to find out the facts and would inform the individual(s) that this was happening and there may be a delay in reaching a decision.
- Where a decision has been made, the Governance Subcommittee would inform first the Chair and then the individual(s) within one working day and record this on the form.
- The outcome would be recorded and posted on the Governance Subcommittee section of the LPC website
- Sanctions will depend on the nature of the issue and whether the LPC has the power within its constitution to recommend a particular action
- The Governance Subcommittee is fully accountable to the LPC for its actions

## Reference sources

PSNC offer the following guidance on enforcing Governance:

*"Whilst the committee may have rigorous and thorough governance arrangements in place, what sanctions should be applied in cases where the provisions are breached? In the vast majority of cases, the integrity of individuals and peer pressure will be sufficient. However, if the LPC wishes to have specific sanctions, special measures need to be taken. Sanctions can only be applied if the LPC has the power to do so, those powers should be clear and members should be aware of the powers which can be exercised in such cases. The LPC gets its power from its constitution, therefore an amendment to the constitution may be necessary to give the LPC the power, for example, to suspend or expel an LPC member for breaches of the Committee's governance arrangements. Most LPCs may feel that the spirit in which they wish to operate is one of relying on trust and members' integrity and hence would not wish to give themselves powers to "punish" members for breaches of governance arrangements. However, those LPCs who wish to consider this option are advised to contact Mike King at PSNC for advice"*

If sanctions are recommended as a part of this guidance then a constitutional change would be needed.

NPA Information Leaflet "Disciplinary & Grievance Procedures and Unfair Dismissal"

**Information to be captured during Investigation into potential breaches of Camden and Islington LPC Governance**

**Date:**

**Name of individual completing form:**

**The potential issue:**

Who raised the issue(s)?

How the issue was brought to the Governance Subcommittee's attention?

When was the Governance Subcommittee first aware of the issue?

To whom does the issue involve?

Does this issue concern an employee of the LPC (Yes/No)?

Define the issue

Preliminary enquiries

**GC meeting/discussion (to be held within 7 working days of when issue first raised):**

Is an investigation required?

What do we know, what do we need to know and how will we find out?

How and when do we inform the individual(s) concerned?

**Informing the individual:**

When the individual informed and how?

**The meeting:**

Date of meeting

Notes from meeting

**Other information from the investigation:**

What are the facts?

**Decision:**

# APPENDIX 5

## Ways of Working and officers Job Descriptions

The following was agreed at the July 14 C&I LPC meeting:

The following Job Descriptions (based on the PSNC JDs) were agreed by C&I LPC

### **Roles & duties for the Chair (from PSNC Chair's Job Description):**

- To Chair the meetings of the LPC and ensure that LPC business is conducted in a proper manner
- To ensure that the business of the LPC is conducted properly, in accordance with legal and governance requirements
- To ensure that the LPC discharges its duties under the LPC constitution
- To lead the LPC by giving a strategic direction to the committee and evaluating performance
- To ensure that the LPC administration is effective and efficient
- To work with the LPC Treasurer to ensure the LPC is financially stable and that LPC resources are applied properly in accordance with the LPC constitution
- To ensure that LPC meetings are run efficiently, focussing on priorities and making the best use of the time available
- To ensure that all members have equal opportunities to participate fully in discussions and decision making
- To ensure all members of the LPC work together as a team
- Ensure that decisions taken at LPC meetings are implemented
- Monitor and appraise the LPC Secretary/CEO
- Work closely with LPC Secretary/CEO to oversee the LPC's affairs and support the LPC Secretary/CEO as appropriate

### **Roles & Duties of the Vice Chair (From the CCA Briefing Summary of LPC Officer Positions)**

- The role of the vice-chair is to deputise for the chairman in the case of absence or on request.

### **Roles & Duties of the Treasurer (From the PSNC LPC Treasurer JD)**

- To keep proper records and accounts in order to report on and control the LPC's finances
- To prepare annual budgets to present to the LPC
- Prepare and present to the LPC proposals for the contractor levy
- To prepare management accounts for the LPC at each normal LPC meeting
- To prepare annual accounts for the LPC and arrange for them to be audited
- To ensure that the audited annual accounts of the LPC are circulated to the contractors and sent to the PSNC
- To set up and control the LPC's banking arrangements
- To prepare, sign off and submit all tax returns for the LPC
- To organise any necessary PAYE and national insurance payments
- To ensure that contractor levies are collected and the LPC levy is paid to PSNC
- To organise and make all other duly authorised payments for the LPC
- To ensure that LPC funds are used for the purposes set out in the LPC constitution and their use complies with the LPC's financial governance requirements
- To keep the LPC informed about its financial duties and responsibilities
- To manage the processing and payment of members and officers expenses
- Make a presentation of the accounts at the LPC AGM
- Advise on the financial implications of LPC strategic plans

**Ways of working:**

An LPC is a non-hierarchical organisation, therefore, governance and policies we set are very important. Decision making is by the whole LPC. Proposals should be made to the whole LPC by the sub-committees (or individual members). By proposals being made to the LPC in a structured written manner (as opposed to verbal proposals) considerable time will be saved in the LPC meetings. This structured written manner could consist of a Proposal Template and briefing document.

**Corporate Responsibility (From PSNC LPC new members pack)**

Corporate responsibility means publicly standing by the decisions of the LPC. If a matter is discussed at an LPC meeting and an individual puts forward a view that is not supported by the majority in a vote after a full discussion, that individual must support the collective decision of the LPC. Any member who publicly disagrees with an LPC decision or undermines it should consider his or her position. Members wanting to speak out against an LPC decision should resign from the Committee before doing so.