

## Revised statutory guidance on managing conflicts of interest for CCGs: Summary Guide for Conflicts of Interest Guardians

We have developed a series of summary guides to the revised *statutory guidance on managing conflicts of interest for CCGs*, which was published in June 2017. The guides are intended to be a helpful resource, which pull out the essentials you need to know. Conflicts of interest are inevitable in commissioning and it is how we manage them that matters. Conflicts of interest can affect anyone, although it is likely that some roles will have greater exposure to them than others. We have therefore developed a series of role specific guides - this guide is for Conflicts of Interest Guardians. This guide is not intended to be a substitute for the full guidance, which can be accessed [here](#).

### I am a Conflicts of Interest Guardian...

#### What do I need to know?

- For the purposes of this document a conflict of interest is defined as “a set of circumstances by which a *reasonable* person would consider that an individual’s ability to apply judgement or act, in the context of delivering, commissioning, or assuring taxpayer funded health and care services is, or could be, impaired or influenced by another interest they hold”.
- In addition to the CCG statutory guidance on managing conflicts of interest, your CCG should have its own **conflicts of interest policy**.
- Everyone is responsible for managing conflicts of interest, but your Accountable Officer has overall accountability in the CCG. In addition, CCGs have been asked to appoint a **Conflicts of Interest Guardian** to further strengthen scrutiny and transparency of CCGs’ decision-making processes. This role should be undertaken by the CCG audit chair (provided they have no provider interests), supported by the CCG’s governance lead (who has responsibility for day-to-day conflicts of interest matters). The role of the Conflicts of Interest Guardian is to act as a conduit for anyone with concerns relating to conflicts of interest; to be a safe point of contact for employees or workers of the CCG to raise concerns; to support the application of the principles and policies for managing conflicts, and to provide independent advice and judgment on managing conflicts of interest.
- By law, the CCG must make arrangements to ensure that any person who is required to declare any conflict or potential conflict, does so as soon as they become aware of it, and in any event within **28 days**. It is best to declare them as soon as possible. They should also be declared at the start of each meeting, where a conflict is likely to arise. If anyone has a genuine concern that an interest has not been declared or appropriately managed, they should raise this in accordance with the CCG’s policy and be supported by the CCG in doing so.
- The **chair** of the meeting has ultimate responsibility for agreeing how to manage any conflict of interest in the meeting. Possible actions may include (but are not limited to):
  - Asking conflicted individuals to leave the meeting when the relevant matter(s) are being discussed;
  - Allowing conflicted individuals to participate in some of the discussion, but asking them to leave the meeting at the point of decision-making;
  - Restricting access to papers in advance of the meeting.
- CCGs with delegated or joint commissioning arrangements should establish a **primary care commissioning committee** (PCCC). The PCCC should have a lay and executive majority (i.e., non-clinical) and a lay chair and vice-chair. To ensure appropriate oversight and assurance, and that the CCG audit chair’s position as Conflicts of Interest Guardian is not compromised, the audit chair should not hold the position of chair of the PCCC.
- CCGs need to undertake an **annual audit of conflicts of interest management** as part of their internal audit plan. The results of the audit should be incorporated into the CCG’s annual governance statement. CCGs will also need to report compliance with the conflicts of interest guidance, as part of the **CCG Improvement and Assessment Framework** ([available here](#)).

### What should be declared?

- The types of interests that should be declared include, but are not limited to:
  - **Financial interests:** This is where an individual may get direct financial benefits from the consequences of a commissioning decision;
  - **Non-financial professional interests:** This is where an individual may obtain a non-financial professional benefit from the consequences of a commissioning decision, such as increasing their professional reputation or status or promoting their professional career;
  - **Non-financial personal interests:** This is where an individual may benefit personally in ways which are not directly linked to their professional career and do not give rise to a direct financial benefit;
  - **Indirect interests:** This is where an individual has a close association with an individual who has a financial interest, a non-financial professional interest or a non-financial personal interest in a commissioning decision (as those categories are described above).
- If in doubt, it is better for an interest to be declared, and managed appropriately, than to for it to be ignored.

### What gifts and hospitality can be accepted?

- A 'gift' is any item of cash or goods, or any service, which is provided for personal benefit, free of charge or at less than its commercial value. Any personal gift of cash or cash equivalents or gifts offered by suppliers/contractors linked (currently or prospectively) to the CCG's business should be declined. Subject to this, low cost branded promotional aids may be accepted where they are under the value of a common industry standard of £6 in total, and need not be declared.
- Gifts from other sources (e.g. patients, families, service users) should also be declined if accepting them might give rise to perceptions of bias or favouritism. When gifts are offered, the following principles and rules should be adhered to:
  - Gifts of cash and vouchers to individuals should always be declined;
  - Gifts valued at over £50 should be treated with caution and only be accepted on behalf of an organisation (i.e. to an organisation's charitable funds), not in a personal capacity. These should be declared by staff;
  - Modest gifts under a value of £50 may be accepted and do not need to be declared;
  - A common sense approach should be applied to the valuing of gifts (using an actual amount, if known, or an estimate that a reasonable person would make as to its value);
  - Multiple gifts from the same source over a 12 month period should be treated in the same way as single gifts over £50 where the cumulative value exceeds £50.
- There is a presumption that offers of hospitality which go beyond modest or a type that the CCG itself might offer, should be politely refused. This includes (but is not limited to):
  - Meals or refreshments of a value of above £75 (subject to the overarching principles these may be accepted if less than £75, but must be declared unless under a value of £25);
  - Offers of business class or first class travel and accommodation (including domestic travel);
  - Offers of foreign travel and accommodation.

There may be some limited and exceptional circumstances where accepting the types of hospitality described above may be contemplated. Express prior approval should be sought from a senior member of the CCG (e.g., the CCG governance lead or equivalent) before accepting such offers, and the reasons for acceptance should be recorded in the CCG's register of gifts and hospitality.
- In addition, particular caution should be exercised where hospitality is offered by suppliers or contractors linked (currently or prospectively) to the CCG's business. Offers of this nature can be accepted if they are modest and reasonable but advice should always be sought from a senior member of the CCG (e.g. the CCG governance lead or equivalent) as there may be particular sensitivities, for example if a contract re-tender is imminent. All offers of hospitality from actual or prospective suppliers or contractors (whether or not accepted) should be declared and recorded.

