



## Standards of Business Conduct

(Incorporating Declarations of Interest, Gifts, Hospitality & Sponsorship)

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Bwrdd Iechyd Prifysgol  
Abertawe Bro Morgannwg  
University Health Board

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# Standards of Business Conduct

## (Incorporating Declarations of Interest, Gifts, Hospitality & Sponsorship)

### 1. Purpose

The health board is committed to ensuring that its employees and independent members practice the highest standards of conduct and behaviour. This policy sets out those expectations and provides supporting guidance.

### 2. Introduction

The Welsh Government's *Citizen-Centred Governance Principles* apply to all public bodies in Wales. These principles integrate all aspects of governance and embody the values and standards of behaviour expected at all levels of public services in Wales.

The health board has developed its own values and behaviour framework:

in every human contact in all of our communities and each of our hospitals.	as patients, families, carers, staff and communities so that we always put patients first.	so that we are at our best for every patient and for each other.
	down, exclude or criticise people.	

The board is strongly committed to ABMU being value-driven, rooted in Nolan principles and high standards of public life and behaviour, including openness, customer service standards, diversity and engaged leadership.

It expects all independent members and employees to practice high standards of corporate and personal conduct, based on the recognition that the needs of service users must come first.

The “Seven Principles of Public Life” or the “Nolan Principles” form the basis of the health board’s standards of business conduct requirements for its employees and independent members. These are:-

- **Selflessness** – Individuals should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or friends;

- **Integrity** – Individuals should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties;
- **Objectivity** – In carrying out public business, including making public appointments, awarding contracts, recommending individuals for rewards and benefits, choices should be made on merit;
- **Accountability** – Individuals are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate for their position;
- **Openness** – Individuals 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 when the wider public interest clearly demands it;
- **Honesty** – Individuals have a duty to declare any private interests relating to their duties and to take steps to resolve any conflicts arising in a way that protects the public interest and;
- **Leadership** – Individuals should promote and support these principles by leadership and example.

In support of these principles, independent members and employees must be impartial and honest in the way that they go about their day-to-day functions. They must remain beyond suspicion at all times. They can achieve the seven principles by:

- Ensuring that the interests of service users remain paramount;
- Being impartial and honest in the conduct of their official business;
- Using public funds to the best advantage of the service and the service users, always seeking to ensure value for money;
- Not abusing/using their official position for personal gain or to benefit family or friends;
- Not seeking or knowingly accepting 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 health board.

This policy re-states and builds on the provisions included in ABMU Health Board's standing orders. It re-emphasises the commitment of the health board to ensure that it operates to the highest standards, the roles and responsibilities of those employed by the organisation and the arrangements for ensuring that declarations can be made. The policy is supported by a short guide (**Appendix 1**) that provides a summary of expected conduct. It is intended to compliment the various professional codes of conduct relevant to employees of the health board.

### 3. Bribery Act

The Bribery Act 2010 came into force on 1st July 2011.

The Ministry of Justice has published guidance that sets out measures businesses can put in place to prevent bribery. The act enhances and simplifies existing legislation and its implications are wider than those of the Foreign and Corrupt Practices Act 1977 (FCPA). The act will have a major impact on UK companies and organisations in all sectors regardless of their size as well as foreign companies operating in the UK.

Broadly, the act defines bribery as:

***“Giving or receiving a financial or other advantage in connection with the “improper performance” of a position of trust, or a function that is expected to be performed impartially or in good faith”***

The Bribery Act 2010 abolished all existing UK anti-bribery laws and replaced them with a suite of new offences markedly different to what has gone before.

The Bribery Act 2010 makes it a criminal offence to “give, promise or offer a bribe and to request, agree to receive or accept a bribe either at home or abroad”. It will increase the maximum penalty for bribery to 10 years imprisonment, with an unlimited fine.

In addition, the act introduced a ‘corporate offence’ of failing to prevent bribery by the organisation not having adequate preventative procedures in place. An organisation may avoid conviction if it can show that it had such procedures and protocols in place to prevent bribery. The ‘corporate offence’ is not a standalone offence, but always follows from a bribery and/or corruption offence committed by an individual associated with the company or organisation in question.

Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as a gift, lavish treatment during a business trip or tickets to an event.

**Some simple examples follow:**

- Bribery in order to secure or keep a contract;
- Bribery to secure an order;
- Bribery to gain any advantage over a competitor;
- Bribery of a local, national or foreign official to secure a contract;
- Bribery to turn a blind eye to a health and safety issue or poor performance or substitution of materials or false labour charges;
- Bribery to falsify an inspection report or obtain a certificate.

The health board has its own [bribery policy](#) which sets out its responsibilities and the responsibilities of its employees in preventing bribery and corruption. It also provides information and guidance to those working within the organisation on how to recognise and deal with bribery and corruption issues.

## **4. Scope**

This policy is applicable across the whole of the health board including hosted organisations. It applies to all employees and independent members. The term “employees” includes all those who have a contract of employment or honorary contract with the health board, as well as bank and agency workers.

## **5. Aims and Objectives**

The aim of this policy is to ensure that arrangements are in place to support employees to act in a manner that upholds the standards of business conduct. It also sets out specific arrangements for the appropriate declarations of interests and acceptance/refusal and record of offers of gifts, hospitality and sponsorship.

The policy aims to capture public acceptability of behaviours of those working in the public sector so that the health board can be seen to have exemplary practice in this regard. It also seeks to clarify the relative responsibilities of individuals/committees in the discharging of this policy and adhering to the standards of business conduct.

## 6. Roles and Responsibilities

### 6.1 Chief Executive

The Chief Executive is the “accountable officer” with overall responsibility for ensuring that the health board operates efficiently, economically and with probity. He/she will ensure a policy framework is set and that arrangements are in place to support the delivery of that framework.

### 6.2 Director of Corporate Governance (Board Secretary)

The Director of Corporate Governance has delegated responsibility for ensuring the health board is provided with competent advice and support regarding the contents and application of this policy and the standing orders.

He/she, supported by the Head of Corporate Administration, will scrutinise the declaration forms when received to ensure appropriate declarations and acceptances have been made in compliance with the policy.

He/she will ensure that:

- A register of interests is established and maintained as a formal record of interests declared by employees and independent members. The register will include details of directorships, pecuniary (financial) and non-pecuniary interests in organisations that may have dealings in the NHS and members of professional committees and third sector bodies. Where relevant it will also include details of interest of close family members or civil partners;
- Arrangements are in place to prompt specific groups of employees and independent members to complete a declaration of interest form (**Appendix 2**) on initial employment with the health board and at periodic intervals thereafter as follows:

Independent members / trustees	Annually
Executive directors	Annually
Service unit directors; directors of hosted organisations and very senior managers (VSMs)	Annually
Staff in specified “high risk” areas	Annually

**Note:** It is the individual employee’s responsibility to make a declaration should their circumstances change within these timescales.

- A register of gifts, hospitality, honoraria and sponsorship, whether accepted or declined, is maintained;
- Appropriate information from the registers of declarations of interests and gifts, hospitality, honoraria and sponsorship is available on request;
- A regular report detailing the declarations of interests, gifts, hospitality, honoraria and sponsorship received and the effectiveness of the arrangements in place is provided to the Audit Committee;
- The forms employees should complete when making a declaration of interest or when advising of gifts, hospitality, honoraria or sponsorship have been accepted or declined are available as **Appendices 3, 4 and 5**.

### 6.3 Executive and Unit Directors

Executive and unit directors must ensure that:

- Employees are aware of the requirements contained within this policy;
- They lead by example and ensure that they personally declare any relevant interest or the offer of gifts, hospitality, honoraria or sponsorship;
- Approve or decline the acceptance of gifts, hospitality and sponsorship that have been offered within their Department/unit **prior** to the event;
- Ensure any acceptances of gifts, hospitality, honoraria or sponsorship complies with the standards of conduct outlined in this policy. Unit directors are responsible for approval within unit and executive directors are responsible for approval within corporate functions;
- They review the contents of the registers of declarations of interest and gifts, hospitality, honoraria and sponsorship to assist with the verification of the accuracy of the information contained within it;
- During periods of annual leave and prolonged absence they will ensure that they delegate the responsibilities to their deputy.

#### **6.4 Line/Departmental Managers**

Line/departmental managers will:

- Ensure that this policy and the standards of business conduct are brought to the attention of employees for whom they are responsible, and that they are aware of its implications for their work;
- Ensure that employees are aware of the requirement to follow and comply with the policy and the standards of business conduct. The standards of business conduct will be discussed at performance reviews, consultant appraisals and as part of the consultant job plan reviews as appropriate;
- Support their employees in the application of the policy and the standards of business conduct, seeking advice from the Director of Corporate Governance if required.

#### **6.5 Staff**

##### **Conduct of Staff**

The requirements of staff as public servants are to:

- Ensure that the interest of service users remains paramount at all times;
- Be impartial and honest in the conduct of their official business;
- Use the public funds entrusted to them to the best advantage of the service, always ensuring value for money.

Staff must not:

- Abuse their official position for personal gain or to benefit their family or friends;
- Seek to advantage further private business or other interests in the course of their official duties;
- Seek or knowingly accept preferential rates or benefits in kind for private transactions carried out with companies with which they have had or may have official dealing with on behalf of the health board.

*“It is in keeping with these requirements that staff must consider carefully any offers of gifts or hospitality.”* (Standards of Business Conduct for NHS staff (DGM(93)84) Welsh Office Circular)

All employees, including those on honorary contracts will ensure that they:

- Understand and abide by this policy and the standards of business conduct, consulting their line manager if they require clarification;
- Are not in a position where their private interests and NHS duties may conflict;
- Declare to the health board for recording in the register of interests any relevant interests at the commencement of employment, whenever a new interest arises, and if asked to do so at periodic intervals by the health board. “Relevant interests” will include:
  - a) Directorships, including independent member directorships held in private companies or public limited companies likely or possibly seeking to do business with the health board, with the exception of dormant companies;
  - b) Ownership or part-ownership, of private companies, businesses or consultancies likely or possibly seeking to do business with the health board. This includes shareholdings, debentures or rights where the total nominal value is £50,000 or one hundredth of the total nominal value of the issued share capital of the company or body, whichever is the less;
  - c) A personal or departmental interest in any part of the pharmaceutical/healthcare industry that could be perceived as having an influence on decision making or on the provision of advice to members of the team;
  - d) Sponsorship or funding from a known NHS supplier or associated company/subsidiary;
  - e) A position of authority in a charity or voluntary body in the field of health and social care;
  - f) Any other connection with a voluntary, statutory, charitable or private body that could create a potential opportunity for conflicting interests;
  - g) Self-employment or employment by any other body. This is particularly relevant where there could be a perceived or actual conflict with NHS duties. This includes the undertaking of private practice.

**It is recommended that where there is doubt, a declaration of interest should be made.**

- Inform service users and their relatives as appropriate, when referring them for treatment, investigation, or any aspect of their care if they have a material interest in an organisation to which they plan to refer a service user (**see a) and g) above**). The fact that the service user has been informed must be recorded appropriately;
- Verbally declare any relevant interest when a potential for conflict arises for example at board and committee meetings, during procurement processes and other meetings where appropriate;
- Declare to the health board for recording in the register of gifts, hospitality, honoraria and sponsorship any offer of a gift, hospitality or sponsorship which requires recording (**see Section 9**);
- Obtain permission from their executive/unit director **prior** to accepting gifts, hospitality, honoraria or sponsorship which require recording;
- Observe the standing orders, standing financial instructions and procurement procedures of the health board;



- Before engaging in any self-employment or outside employment you must first discuss it with your departmental/line manager. This will ensure that your position in the health board is not compromised. Agreement to such employment will not be unreasonably refused.

**Note:** Staff should also refer to appropriate professional codes of conduct and documents issued by the Welsh Government which will complement this policy and the standards of business conduct.

## **6.6 NHS Wales Shared Services Partnership (NWSSP) Procurement Services**

NWSSP will ensure that all procurement staff complete declaration of interest forms in line with their procedures. NWSSP will advise the health board, through the Director of Corporate Governance, of any such interests impacting on health board services.

## **6.7 Other Partnerships**

The health board has a number of partnership arrangements including Western Bay, A Regional Collaboration for Health (ARCH) as well as staff holding joint contracts with Welsh Government. These should be dealt with in-line with declarations of interest – see paragraph eight.

## **7. Register of Interests**

The Director of Corporate Governance will maintain registers of declarations of interests and gifts, hospitality, honoraria and sponsorship. Appropriate information from these registers will be available upon request. Enquiries should be made to the Director of Corporate Governance via email [abm.inquiries@wales.nhs.uk](mailto:abm.inquiries@wales.nhs.uk) or on 01639 683323. A summary of the register for independent members, executive directors and key staff highlighted in **section 6.2** will be reported to the Audit Committee annually.

## **8. Declarations of Interest**

### **8.1 Declarations at Meetings**

It is a requirement that at the beginning of every board, committee or decision making/formal meeting members and those in attendance will be invited to declare their interests in relation to any items on the agenda.

Where a potential conflict is material or the member has a financial/pecuniary interest in the matter under discussion, that person shall withdraw from discussions pertaining to that agenda item and shall not vote upon it. The potential conflict and the action will be recorded in the minutes of the meeting and the register of interests will be updated if required. Where it becomes evident part way through a meeting that there may be a potential conflict the individual must declare their interest immediately.

Under certain circumstances the chair may choose to waive the need for the individual to leave the meeting. The advice of the Director of Corporate Governance should always be sought prior to such a decision being made.

From time to time, staff may need to declare interests at other NHS organisations or partnership meetings. Such declarations will be recorded as if it were a board or committee meeting and the individual will be asked to withdraw from discussions pertaining to that agenda item.

## **8.2 Staff Declarations of Interest**

All members of staff should declare, to the best of their knowledge, if they, or a close relative, or associate, have a controlling or financial interest in a business, which could impact on the activities of the health board. All such interests should be declared on starting employment, by completing **Appendix 1** at the time, or subsequently on acquisition of the interest. All staff shall be under a contractual obligation to declare such interests. These will be kept in a register by the Director of Corporate Governance and reported to the Audit Committee.

If any member of staff has a financial/commercial interest in an organisation to which he/she plans to refer a patient for treatment or investigation, he/she must tell the patient about that interest. If the patient is a NHS patient, the members of staff must also tell the commissioning authority.

All staff must declare to the Chief Executive, all private interests which could potentially result in personal gain as a consequence of their position within the health board.

## **9. Gifts, Hospitality, Sponsorship and Honoraria**

### **9.1 Gifts**

A 'gift' is defined as any item of cash or goods, or any service, which is provided for personal benefit at less than its commercial value. The definition includes prizes, draws and raffles at sponsored events/conferences.

It is an offence to accept any money, gift or consideration as an inducement or reward from a person or organisation holding or seeking to hold a contract with the health board. Such gifts should be refused and if they have already been received they should be returned clearly advising why they cannot be accepted.

Any acceptance of a gift needs to be justified. The onus is to make sure the acceptance of a gift will not be misconstrued.

In respect of gifts, this section does not apply to private patient activity unless it is considered that services may be provided by the NHS at any point.

### **9.2 Gifts from Service Users or their Relatives**

Staff may accept, subject to not contravening their professional codes of conduct, gifts and gift vouchers up to the value of **£100** from service users and relatives as a mark of their appreciation for the care that has been provided.

Where gifts are provided to a group of staff, it is the responsibility of the line manager to declare the gift if over the value of £100.

Where a gift or gift voucher is offered by service users or their relatives that is likely to be over £100 in value it should be politely declined. In some cases the gift may have been delivered and it may be difficult to return it or it may be felt that the bearer may be offended by the refusal. Under such circumstances the gift can be accepted, and the bearer advised that it will be utilised for the benefit of charitable funds, for example, used as a prize in a raffle.

Acceptances of gifts or gift vouchers are subject to the discretion of the Director of Finance and a gifts and hospitality form (**appendix 3**) declaring that a gift has been received must be completed.

Personal gifts of cash from service users or their relatives are not acceptable. It may only be accepted as a donation to an appropriate charitable fund and recorded as such. The finance department will provide advice regarding the mechanism for appropriately receipting such items.

This policy does not apply to gifts received from private patients as this is considered to be private patient activity outside the NHS. However, if the patient is likely to be treated on the NHS at an ABMU site at any point in the future the provisions of this policy should be adhered to in order to avoid future challenge.

### **9.3 Gifts from Suppliers/Commercial Organisations**

No gifts, unless they are of low intrinsic value for example diaries, calendars, etc. are to be accepted from suppliers, contractors and other commercial organisations. Gifts outside this definition should be politely declined.

While it is not necessary to declare gifts of low intrinsic value, where other items are offered and declined a gifts and hospitality form should be completed. This will allow the health board to monitor when such organisations are inappropriately offering gifts or potential inducements.

Under some circumstances suppliers may send gifts to all of its clients as custom and practice such as hampers at Christmas. Whilst such practices should be discouraged and it is not acceptable for staff to personally accept these gifts, following discussion with the supplier/commercial organisation and the appropriate director it may be considered appropriate to accept the gift and use it for the benefit of charitable funds.

### **9.4 Gifts from Dignitaries / Overseas Organisations**

There may be occasions when visits are made by dignitaries or overseas organisations who consider it “culturally custom and practice” to exchange gifts. In such cases employees should seek guidance from the Director of Corporate Governance and declare these gifts on a gifts and hospitality form. A decision will then be jointly made as to the most appropriate way to manage the gift. This will depend on the nature of the “gift culture” and may include decisions to “keep and display in public”, “donate to an internal user group”, “auction for charity” etc.

### **9.5 Bequests left in Service User Wills**

On occasions staff are left bequests in a service user’s will which they become aware of before the service user is deceased or because they have been informed by the deceased service user’s legal representative. In such circumstances the member of staff must immediately inform their manager. It should be borne in mind that staff cannot benefit from a bequest by virtue of their position as a health board employee, undertaking their duties. If a member of staff receives a bequest they should contact the Director of Finance.

### **9.6 Sporting Events**

On occasions staff are offered tickets for sporting events, the health board does not consider accepting tickets as acceptable. However, where there are exceptional

circumstances approval must be sought from the Chief Executive prior to accepting any offer.

### **9.7 Gifts by Way of Inducement or Reward**

The Prevention of Corruption Acts, 1906 and 1916, prohibit staff from soliciting or receiving any gift or consideration of any kind from contractors or their agents, or from any organisations, firms or individuals with whom they are brought into contact by reason of their official duties, as an inducement or reward for;

- a) Doing or refraining from doing anything in their official capacity; or
- b) Showing favour or disfavour to any person in their official capacity.

It should be understood that a breach of the provisions of these acts renders staff liable not only to dismissal but to prosecution under the acts, and it is expected that the health board will deal severely with any such breaches.

Staff should be aware that the health board is required in accordance with its standing orders to insert in every formal contract a clause entitling them to cancel the contract and recover any losses if any inducement or gifts are offered by the contractor or by his employees, whether with or without his knowledge. Any such offer of an inducement or gift should accordingly be reported by the person to whom it is made to the Executive Director of Finance.

### **9.8 Hospitality**

Hospitality is where there is an offer of food, drinks, accommodation, entertainment or entry into an event or function by a third party, regardless of whether provided during or outside normal working hours, for example, cheque presentations in respect of fundraising events.

Employees in contact with contractors should be particularly mindful of accepting any hospitality that might later be misconstrued as impacting on strict independence and impartiality.

Any acceptance of hospitality needs to be justified. Think about the context in which the offer has been made, and the effect on the employee's position. For example, is the hospitality likely, or could it be seen as likely, to influence? The onus is to make sure that the acceptance of hospitality will not be misconstrued.

### **9.9 Acceptable Hospitality**

Offers of food and non-alcoholic drink, provided it is equivalent to that offered in similar circumstances by the NHS, can be accepted during working visits and does not need to be recorded in the gifts, hospitality and sponsorship register.

Other hospitality that may be accepted but will need to be declared includes instances where:

- There is a genuine need to impart information, or represent the organisation at stakeholder community events for example local authority or charitable organisations which have an association with the health board;
- An employee has been invited to receive an award or prize in connection with the work of the organisation or their role within it;
- An employee is invited to a society or institute dinner or function which is to be funded by a commercial organisation and where there is a genuine benefit to the professional standing of the individual or the health board;

- Attending events to receive cheque presentations on behalf of ABMU.

These types of hospitality must be authorised prior to their acceptance by an executive or unit director and a gifts, hospitality, sponsorship and honoraria must be completed. The hospitality should be proportionate - it should not be of significant value and only the minimum number of employees to achieve the purpose of representing the health board should attend.

The health board has agreed “hospitality principles” for providing hospitality and these are included at **appendix 8**.

### **9.10 Unacceptable Hospitality**

Unacceptable hospitality includes the following examples as a general guidance:

- A holiday or weekend/overnight break;
- Offers of hotel accommodation when this is not associated with an approved sponsored course or conference;
- Use of a company flat or hotel suite;
- Attendance at a function or event restricted to employees which is not for the purpose of training or organisational development;
- Lunch or dinner provided by a private company or their representative which does not form part of a training or development event;
- Entertainment and/or tickets/hospitality at sporting and other corporate entertainment events.

If members of staff are not clear whether an offer falls into one of these categories advice should be sought from their line manager, unit director or Director of Corporate Governance.

Members of staff should report any case where an offer of hospitality is pressed which might be open to objection. They should also declare on the appropriate form any offers of hospitality which are declined.

### **9.11 Sponsorship**

Sponsorship is sometimes provided by organisations to allow members of staff to attend conferences or working visits to view equipment. It may also include sponsorship of posts and research and development.

No sponsorship should be accepted without the prior agreement of the appropriate executive/unit director. A sponsorship form (**appendix 4**) should also be completed prior to the acceptance of any sponsorship. If sponsorship is inappropriately offered and/or declined this should also be declared.

Any acceptance of sponsorship needs to be justified. Think about the context in which the offer has been made, and the effect on the employee's position. For example, is the sponsorship likely, or could it be seen as likely, to influence? The onus is to make sure that the acceptance of any sponsorship will not be misconstrued.

More detail is provided below regarding the many forms that sponsorship may take.

### **9.12 Sponsorship for Attendance at Courses / Conferences**

Members of staff may accept sponsorship for attendance at relevant conferences and courses, but only where the member of staff seeks permission in advance from

their executive/unit director. The sponsorship should only be extended to the number of members of staff who would have normally attended if funded by the health board. The member of staff and the executive/unit director must be satisfied that acceptance will not compromise purchasing or any future decisions making in any way.

### **9.13 Post Graduate Education**

Any sponsorship/hospitality related to postgraduate education will be co-ordinated and managed by the relevant post-graduate centre manager.

### **9.14 Sponsorship – “Linked Deals”**

Pharmaceutical companies and other suppliers may offer to sponsor, wholly or partially, a post or equipment for the health board. The health board will not enter into such arrangements, unless it has been made abundantly clear to the company concerned that the sponsorship will have no effect on purchasing decisions.

Linked deals must be approved and managed within an agreed process so that there are appropriate monitoring arrangements established to ensure that purchasing decisions are not being influenced by the sponsorship agreement.

Under no circumstances should managers of the health board agree to “linked deals” whereby sponsorship is linked to the purchase of particular products, or to supplies from particular sources.

### **9.15 Sponsorship of Events in the context of Partnership Arrangements with the Pharmaceutical Industry or Other Commercial Organisations**

The pharmaceutical industry and allied commercial sector representatives may organise meetings in support of specific functions or specialities within the healthcare sector. Under such arrangements they are permitted to fund the hiring of accommodation, meet any reasonable actual costs which may have been incurred and to provide appropriate hospitality. If no hospitality is required, there is no obligation or right to provide it, or indeed any benefit of equivalent value.

The pharmaceutical industry is expected to adhere to the ABPI Code of Practice for the Pharmaceutical Industry which clearly specifies what is and is not acceptable.

### **9.16 Honoraria / Miscellaneous Payments**

Members of staff may be invited to give presentations at conferences, provide responses to surveys or attend professional meetings where a one-off payment or honoraria is offered.

If this activity is to be undertaken during hours when the member of staff is contracted to work the payment should be made to the health board.

Individuals may accept payment for activities that they undertake in their own time, subject to the provisions regarding outside employment contained within the various employee contracts and terms of service.

There are tax implications relating to honoraria that are explained below:

#### **(a) Honoraria received for work undertaken during health board hours**

When **appropriate authorisation** has been granted to permit an employee to be involved in activity outside their normal contract **during** health board hours, any

honoraria paid must be received back to the health board's revenue budget to reimburse the organisation for the member of staff's time.

To ensure good governance, the honoraria must be paid into a revenue budget that is **not** managed by the member of staff who has provided their services during health board time.

To avoid personal tax implications, the health board member of staff is urged to request the honoraria are paid **directly to the health board**. This is then seen as reimbursement to the health board to cover the loss of the member of staff's time, and not honoraria. This money will then be transferred into the health board revenue budget. The member of staff who has undertaken the work must not be the budget holder for the budget receiving the funds in lieu of the honorarium due to a conflict of interest.

If the member of staff receives the honoraria directly and then reimburses the health board, the **member of staff remains liable for the payment of both tax and national insurance contributions (NIC)**, regardless of the final destination of the honoraria.

**(b) Honoraria received for work undertaken in an individual's own time (out of normal working hours or on authorised annual leave)**

Individuals are **personally liable for the payment of both tax and NICs** on any honoraria payments received. Following their first honoraria declaration individuals will be asked to sign a "declaration statement" (**Appendix 6**) confirming that they understand their responsibilities and this will be held on file by the Director of Corporate Governance.

If such a member of staff wishes to suggest a donation may be made to the ABMU Health Board charitable funds in lieu of an honoraria, this must be received into the general fund and it is then for the trustees to determine how the donated funds should be used. The basic principle being that the employee giving their own time should have no influence over how the donation is then used and therefore lessens the risk of this being interpreted as being of any benefit to them as 'income' in any sense.

In cases of doubt, staff should seek advice from the Director of Finance/Director of Corporate Governance and should report any case where an offer of sponsorship or honoraria is pressed which might be open to objection. Instances where honoraria has been offered and declined should still be declared.

## **10. Approval Process**

Prior to the acceptance of any gifts, hospitality, honoraria and sponsorship as detailed above, members of staff should seek approval from the relevant executive/unit director.

If the unit director is in any doubt or the activity is complex and/or of high value advice should be sought from the Director of Corporate Governance prior to approval.

## **11. Preferential Treatment in Private Transactions**

Individual staff must not seek or accept preferential rates or benefits in kind for private transactions carried out with which they have, or may have, official dealings

with on behalf of the health board. This does not apply to concessionary agreements negotiated with companies by NHS management, or by recognised staff interests, on behalf of all staff, for example, NHS staff benefits schemes.

## **12. Contracts**

All staff in contact with suppliers and contractors, particularly if authorised to sign purchase orders or place contracts for goods, materials or services, shall adhere to accepted professional standards.

## **13. Favouritism in Awarding Contracts**

Fair and open competition between prospective contractors or suppliers for contracts is a requirement of the standing orders and of European directives on public purchasing for works and supplies. This means that:

- No private, public or voluntary organisation or company which may bid for health board business should be given any advantage over its competitors, such as advance notice of the requirements. This applies to all potential contractors, whether or not there is a relationship between them and the health board, such as a long-running series of previous contracts;
- Each new contract should be awarded solely on merit, taking into account the requirements of the health board and the ability of the contractors to fulfill them.

Senior managers should ensure that no special favour is shown to current or former staff 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 tenderers, but scrupulous care must 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 the selection.

## **14. Warnings to Potential Contractors**

The health board will ensure that all invitations to potential contractors to tender for business includes a notice warning tenderers of the consequences of engaging in any corrupt practices involving staff of public bodies.

## **15. Research and Development**

All research and development sponsored by commercial companies, including those sponsored by the pharmaceutical industry must be approved by the appropriate mechanisms. It will be governed by specific policies and procedures. The research and development department should be contacted in these circumstances and will also be able to offer advice and support in this area.

## **16. Charitable Funds**

There may be occasions when commercial organisations offer to pay monies into the health board's charitable funds as a way of funding attendances at courses or conferences. Monies may only be paid into charitable funds from commercial companies if it is a donation or sponsorship. It can only be used to fund expenditure which is in line with the terms of the funds use as set out within the charitable funds governance framework. Expenditure from charitable funds does not fall within the



remit of this policy; however, there may be a close association. For further information contact the Director of Corporate Governance or Director of Finance.

## **17. Secondary Employment & Private Practice**

### **17.1 Secondary Employment**

Staff should inform their line manager of any secondary or self employment, including agency work and ensure that any secondary employment does not affect their health board employment. These declarations should be made using the form at **appendix 11**. There should be no conflict with their normal contractual employment obligations to the health board, and such work should not involve the use of any confidential or commercial information obtained in the course of their employment with the health board.

Staff should be aware that it is a disciplinary offence and constitutes potential fraud to work for another employer whilst on either certified or uncertified sick leave from the health board without first obtaining the written permission of their manager.

### **17.2 Private Practice**

There are codes for good private patient practice which clearly include the fact that private practice should not adversely affect NHS duties.

The time spent in private practice does not count towards the 48 hours of the Working Time Directive Regulations, however, health and safety law indicates that no employee of the health board should work in a way detrimental to their health and performance.

For more information on private practice please refer to the health board's private patient policy.

## **18. Commercial in Confidence**

Members of staff should be particularly careful of using, or making public, internal information of a "*commercial in confidence*" nature, particularly if its disclosure would prejudice the principle of a purchasing system based on fair competition, whether private competitors or other NHS providers are concerned.

## **19. Rewards for Initiative**

The health board will ensure that potential intellectual property right (IPR) are identified, as and when they arise, in order to protect and exploit them properly, and thereby ensure that the health board receives any rewards or benefits (such as royalties) in respect of work commissioned from third parties, or work carried out by its staff in the course of their duties.

Most IPR are protected by statute for example, patents are protected under the Patents Act 1977 and copyright (which includes software programmes) under the Copyright Designs and Patents Act 1988. To achieve this, senior managers should build appropriate specifications and provisions into the contractual arrangements which they enter into before the work is commissioned or begins. They should always seek legal advice if in any doubt in specific cases. Advice will be provided from the research and development department.

With regard to patents and inventions, in certain defined circumstances the Patents Act gives staff a right to obtain some reward for their efforts, and senior managers

should agree a suitable reward for individual circumstances as appropriate. Other rewards may be given voluntarily to staff who, within the course of their employment, have produced innovative work of outstanding benefit to the NHS. Similar rewards should be voluntarily applied to other activities such as giving lectures and publishing books and articles.

In the case of collaborative research and evaluative exercises with manufacturers, senior managers should see that the health board obtains a fair reward for the input staff provide. If such an exercise involves additional work for a member of staff outside that which is paid for by the health board under his or her contract of employment, arrangements should be made for some share of any rewards or benefits to be passed on the employee(s) concerned from the collaborating parties.

Care should however be taken that involvement in this type of arrangement with a manufacturer does not influence the purchase of other supplies from that manufacturer.

## **20. Failure to Adhere to Standards of Business Conduct**

If any health board member of staff fails to declare an interest or gifts, hospitality, honoraria and sponsorship or secondary employment as defined within this policy and then:

- Participates in a decision making process where special favour is shown to unfairly award a contract; or
- Abuses their official position or knowledge for the purpose of benefit to themselves, their family or friends.

Disciplinary action may follow. The action taken will depend on the individual circumstances and will be in accordance with the appropriate disciplinary policy. Under some circumstances failure to follow this policy could be considered gross misconduct.

In addition to any potential disciplinary action being taken if there is any suspicion that fraud, corruption and/or bribery has been or is being committed, then all such cases must be reported at the earliest possible opportunity to the Local Counter Fraud Specialist (LCFS).

This is also extended to include the inappropriate acceptance of any gifts, hospitality, honoraria and sponsorship.

Furthermore, if a member of staff breaches the standards of business conduct this could in certain circumstances result in notification/reporting to the appropriate professional codes of conducts/registration/memberships for example Health Professions Council (HPC), General Medical Council (GMC), Nursing and Midwifery Council (NMC) etc. This could incur registrations being revoked and employees no longer being able to be employed in their current position within the health board.

## **21. Equality**

The health board is committed to ensuring that, as far as is reasonably practicable, the way it provides services to the public and the way it treats its employees reflects their individual needs and does not discriminate against individuals or groups.

The health board has undertaken an equality impact assessment and received feedback on the standards of business conduct and the way it operates. The health board wanted to know of any possible or actual impact that this procedure may have on any groups in respect of gender (including maternity and pregnancy as well as marriage or civil partnership issues) race, disability, sexual orientation, Welsh language, religion or belief, transgender, age or other protected characteristics.

The assessment found that there was **no impact** to the equality groups mentioned. Where appropriate the health board will make plans for the necessary actions required to minimise any stated impact to ensure that it meets its responsibilities under the equalities and human rights legislation.

## **22. Training**

Whilst there are no formal training programmes in place to ensure implementation of this policy, each executive director, unit director and head of department must ensure that managers and all staff, clinical and non-clinical, are made aware of the policy provisions and that they are adhered to at all times.

Awareness of the importance of compliance will require reference to the policy in induction programmes, and at times when members of staff are invited to make declarations.

## **23. Resources**

The implementation and management of the arrangements associated with the policy do not present any significant resource implications to the health board.

## **24. Implementation**

The standards of business conduct will be maintained by the Director of Corporate Governance. Executive directors and managers need to be aware of their responsibilities for advising employees accountable to them in connection with the policy and the code of conduct.

## **25. Audit and Monitoring**

The Director of Corporate Governance will review the operation of the policy as necessary and any review findings will be submitted to the Audit Committee.

NWSSP – Procurement Services will monitor and audit declarations of interest obtained in accordance with the procurement process outlined in **Appendix 7**.

## **26. Distribution**

The standards of business conduct will be available via the intranet and internet sites. Where staff do not have access to the intranet their line manager must ensure that they have access to a copy of this policy.

## **27. Review**

Review of this policy will be undertaken no later than three years after the date of approval.

## **28. Further Information**

Further information can be obtained through the documents outlined in section 30 and via the Director of Corporate Governance.

## **29. Acknowledgements**

This policy was based on those in use at Cardiff and Vale University Health Board and Velindre NHS Trust.

## **30. Further Reading and Sources**

Health board policies and documents which are integral part of the standing orders and standing financial instructions comprise:

- Values and Behaviours Framework;
- Bribery Policy;
- Counter Fraud Policy
- Whistle-blowing Policy

### Sources

- DGM (93)84: Standards of Business Conduct for NHS Staff;
- DGM(95)5: Detailed Guidance on Implementing a Code of Conduct and Accountability Finance Guidance Note F35: Guidance on Standards of Conduct for LHB Staff;
- Commercial Sponsorship-Ethical Standards for the NHS, Department of Health;
- Code of Conduct and Accountability, Welsh Assembly Government, 2003;
- WHC (2005) 016 The NHS & Sponsorship by the Pharmaceutical Industry;
- Abertawe Bro Morgannwg University Hospital LHB Counter Fraud Policy and Response Plan;
- WHC(2006)090 The Codes of Conduct and Accountability for NHS Boards and the Code of Conduct for NHS Managers Directions 2006

## APPENDIX 1 – STANDARDS OF BUSINESS CONDUCT

The board has described the values which underpin the way that services are provided so that ABMU will be a flagship health organisation in Wales, with an international reputation for excellence and innovation. To support this intent, all employees must ensure they carry out their roles with dedication and commitment to the health board and its core values.

All staff must have the highest standards of corporate and personal conduct and behave in an exemplary manner based on the following seven principles:

- **Selflessness** – Individuals should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or friends;
- **Integrity** – Individuals should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties;
- **Objectivity** – In carrying out public business, including making public appointments, awarding contracts, recommending individuals for rewards and benefits, choices should be made on merit;
- **Accountability** – Individuals are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate for their position;
- **Openness** – Individuals should be as open as possible about all the decisions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it;
- **Honesty** – Individuals have a duty to declare any private interests relating to their duties and to take steps to resolve any conflicts arising in a way that protects the public interest and;
- **Leadership** – Individuals should promote and support these principles by leadership and example.

To uphold these principles employees and independent members must:-

- Ensure the interests of service users and the public remain paramount;
- Be impartial and honest in the conduct of official business;
- Use NHS resources to the best advantage of the service and the service users, always seeking to ensure value for money;
- Not abuse an official position for personal gain or to benefit family or friends;
- Not seek advantage or to further private business or other interests in the course of official duties, and;
- Not seek or knowingly 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 health board.

The standards of business conduct outlines the arrangements within the health board to ensure staff comply with these requirements, including recording and declaring potential conflicts of interest and handling of gifts, hospitality and sponsorship (even if these are declined). Further guidance is available via the health board's standing orders.

It is your responsibility to ensure that you are familiar with the requirements of the policy and supporting guidance. The relevance of this information will vary

depending on your role within the health board and your interests outside of your employment.

In summary:

**Do:**

- Make sure that you are not in a position where your private interests and NHS duties may conflict.
- Declare any relevant interests such as:
  - Directorships, including non-executive directorships held in private companies or public limited companies (PLCs);
  - Ownership or part-ownership, of private companies, businesses or consultancies likely or possibly seeking to do business within the health board;
  - A position of authority in a charity or voluntary body in the field of health and social care;
  - A personal or departmental interest in any part of the pharmaceutical or healthcare associated industries that could be perceived as an influence on decision making or on the provision of advice to members of the team;
  - Sponsorship or funding from a known NHS supplier or associated company/subsidiary;
  - Employment where there could be a perceived or actual conflict with NHS duties. This includes the undertaking of private practice;
- Anything else that could cause a potential for conflict.

**If in doubt declare it!**


- Remember the need to declare an interest also includes those of your close family and possibly friends;
- Seek your line manager's permission before undertaking secondary employment / outside work, in accordance with the employment terms and conditions;
- Obtain your executive director or unit director's permission before accepting any commercial sponsorship to hospitality;
- Declare offers of gifts, hospitality or sponsorship using the appropriate form where required.

**Do not:**

- Accept any gifts from suppliers or commercial organisations unless they are of low value e.g. pens, diaries;
- Accept any gifts over the value of £100 from service users or their relatives, these should be politely declined;
- Accept any inappropriate hospitality or sponsorship from suppliers or commercial organisations;
- Abuse/use your position to obtain preferential rates for private deals;
- Unfairly advantage one competitor over another or show favouritism in your dealings with commercial organisations;
- Use NHS resources for your own private use.

If you need any further guidance please contact the Director of Corporate Governance.

## APPENDIX 2 – DECLARATION OF INTEREST FORM

 <p>Bwrdd Iechyd Prifysgol Abertawe Bro Morgannwg University Health Board</p>	<h1>Declarations of Interest Form</h1>		
Full Name: (Please Print)			
Contact Address:			
Tel No:			
Position Held in Health Board			
<p>In accordance with the Code of Conduct and Accountability, Standing Orders and Standing Financial Instructions. I list below my relevant interests and those of my family for inclusion in the Register of Members' Interests.</p> <p><b>If in doubt, declare! Proceed to Section h) after noting section f) if you have nothing to declare.</b></p>			
Declaration	Nature of Relationship	Period of Involvement	Financial Transactions or Benefits in Kind
a) DIRECTORSHIPS Public or private appointments, employment or consultancies. Company directorships in private or limited companies	Personal:		
	Spouse/Partner or other Relationship Specific to a Contract or Series of Contracts		
b) INTEREST IN COMPANIES AND SECURITIES Substantial interest is ownership or part ownership, more than 1/100 <sup>th</sup> (i.e. share) of private companies, businesses or consultancies	Personal:		
	Spouse/Partner or other Relationship Specific to a Contract or Series of Contracts		
c) OTHER POSITIONS OF AUTHORITY (Not included in a.) A position of authority (i.e. Director, Chairman. Trustee etc.) in a charity or voluntary body in the field of health and	Personal:		
	Spouse/Partner or other Relationship Specific to a Contract or Series of Contracts		

social care			
d) PERSONAL OR DEPARTMENTAL SPONSORSHIP a personal or departmental interest in any part of the pharmaceutical industry or Sponsorship or funding from a known NHS supplier or associated company/subsidiary, e.g. Baxter funding research, staff or equipment	Personal:		
	Spouse/Partner or other Relationship Specific to a Contract or Series of Contracts		
e) ANY OTHER INTEREST Any other connection with a voluntary, statutory, charitable or private body that could create a potential opportunity for conflicting interests	Personal:		
	Spouse/Partner or other Relationship Specific to a Contract or Series of Contracts		
f) I undertake to notify the health board of any changes which may occur within four weeks from the date of the change, in writing to the <b>Director of Corporate Governance, ABMU Headquarters, Baglan.</b>			
g) I confirm that the list accurately reflects my interests and those of my close family and understand that these declarations will be included in the register available <b>public inspection</b>			
Signed:		Date:	
h) I confirm a <b>nil declaration</b>			
Signed:		Date:	
i) <b>Authorisation – To be authorised by relevant line manager/head of service/director as appropriate.</b> <i>(a countersignature is included to confirm that this form has been reviewed by the line manager or unit director and that appropriate safeguards have been identified to address any conflict of interest that may have been identified)</i>			
Signed:		Date:	



## APPENDIX 3

### ABERTAWE BRO MORGANNWG UNIVERSITY HEALTH BOARD

#### Form for registering Gifts and Hospitality

This form should be completed by any member of staff who accepts or is offered gifts or hospitality. The Standards of Business Conduct for LHB Staff should be referred to for further guidance on gifts and hospitality.

<b>Name (BLOCK CAPITALS)</b>		
<b>Position/Job Title:</b>		
<b>Directorate/Department:</b>		
<b>Source of Hospitality:</b>		
<b>Description of Gift/Hospitality:</b>		
<b>Date of Hospitality:</b>		
<b>Date of Offer:</b>		
<b>Value of Hospitality:</b>	£ (approx value or exact value – delete as appropriate)	
<b>Accepted/Declined Offer</b>	Y/N	
<b>Signed</b>		<b>Date:</b>
<b>Line Manager Name (BLOCK CAPITALS)</b>		
<b>Signature</b>		<b>Date:</b>
<b>Clinical/Corporate Director Name (BLOCK CAPITALS)</b>		
<b>Signature</b>		<b>Date:</b>

This form must be forwarded to the Corporate Administration Manager at Health Board HQ (x 3312), for inclusion in the Gifts and Hospitality Register.

## APPENDIX 4

### ABERTAWE BRO MORGANNWG UNIVERSITY LHB

Request to Receive Permission to Receive Commercial Sponsorship to Attend a Course or Conference

#### 1. Declaration by Member of Staff

##### (a) Details of Course/Conference

Course/Conference title	Date	Location	Cost: £
Brief description of content and benefits of attending: -			

##### (b) Details of Sponsor

Name of Sponsors	Amount of Proposed Sponsorship	Description of fees included in sponsorship	Reasons for Sponsoring

I confirm that sponsorship to attend this course/conference will not in any way influence any recommendations regarding purchasing decisions I need to make.

Name (**please print**): .....

Post Title: .....

Signature: ..... Date: .....

#### 2. To be completed by Clinical/Corporate Director

I am writing to confirm that: - (*delete as appropriate*)

- (a) I am satisfied there is no potential conflict of interest, sponsorship may be accepted.
- (b) I am not satisfied there is no potential conflict of interest, sponsorship may not be accepted.

Name (**please print**): .....

Post Title: .....

Signature: ..... Date: .....

**On completion please advise the applicant and forward this form together with the authorised study leave form to the Training Dept and a copy of this form to the Corporate Administration Manager, Health Board HQ (x 3312) for entry into Gifts/Hospitality Register.**

## **APPLICATION FOR STUDY LEAVE & PROFESSIONAL LEAVE**

### **FOR CONSULTANTS AND ALL OTHER NON TRAINING GRADE DOCTORS WORKING IN SECONDARY CARE**

**IMPORTANT:**

You must complete your application form in full and submit to your Clinical Director at least 6 weeks prior to your study/professional leave requested dates. In circumstances where this is not possible an explanation must be attached to this form, or your application may be rejected and your application form returned. The same rule applies to the confirmation of CME points. Programme/details of the course/conference must also be attached in order for approval to be granted.

If Endowment Funds are being used to fully or partially fund the cost of your study leave, you will need to obtain the fund holder's signature prior to submitting your application to the Clinical Director.

**Retrospective applications will be not authorised.**

**PART 1**

DETAILS OF APPLICANT	
Title & First Name (Mr/Dr/Mrs/Miss/Ms/Prof):	Surname:
Grade:	ESR/Staff Number:
Department/Location/Hospital:	Telephone / Bleep:
DETAILS OF STUDY LEAVE	
*STUDY LEAVE <input type="checkbox"/>	*PROFESSIONAL LEAVE <input type="checkbox"/> <small>*Please indicate</small>
Nature and Description of Application i.e. Course, Conference, title of event etc. <b><i>(Details must be attached).</i></b>	
Venue:	
Reasons for Application - Please state the benefits to the Individual, specialty and the health board:	
Duration From:	To:
Total No. of Days Leave Required:	No. of CME Points to be accrued:
ARRANGEMENTS FOR ABSENCE: must be completed before application is submitted	
The following have been cancelled:	The following have been reduced:
Theatre:        Dates	Theatre:        Dates
Clinic:         Dates	Clinic:         Dates
Arrangements for Cover <i>(For Consultants – if your patient(s) are unwell we need to know who will have ongoing responsibility in your absence.):</i>	

**PART 2**

Expenses For Study/Professional Leave	Expenses Requested	
	From Study Leave	From Endowment Fund
Course/Registration Fee ( <i>please state if inclusive of meals and/or accommodation</i> )		
Mileage		
Rail (standard class):		
Other (please specify):		
<b>Accommodation</b> (no. of nights):		
<b>Subsistence</b> Over 5 hr <input type="checkbox"/> Over 10 hr <input type="checkbox"/> 24 hr <input type="checkbox"/>		

**Expenses covered by Hospitality & Sponsorship**

If your study leave application is being fully or partially funded by third parties (i.e. commercial sponsorship), please enter a brief description below (i.e. name of company & total costs covered). Please also ensure that you complete the **Form to Receive Permission to Receive Commercial Sponsorship to Attend a Course or Conference** and return this to your CD, copied to the Director of Corporate Governance in Health Board HQ.

--

**PART 3**

AUTHORISATION	
Applicant's Signature	Date
Clinical Director's Signature	Date
Corporate Director's Signature if the application is from MD, AMD, or CD	Date
Endowment Fund Holder's Signature ( <i>if relevant</i> )	Date
<b>Application &amp; authorisation recorded in Directorate by:</b> Name: _ Date: _	
<b>Recorded in Medical Director's Department by:-</b> Name: _ Date: _	

**Notes:**

**Approval:** Once approved by the CD (and Corporate Director if necessary) a copy should be returned to the applicant and a copy forwarded to the Medical Director. Upon receipt of approval courses/conferences and travel arrangements can be booked. Booking without obtaining prior approval, could result in the applicant having to cancel or self-fund the required leave.

**Expenses:** Following approval of this study/professional leave application and attendance at the study/professional leave event, an expenses form together with all relevant receipts should be returned to the Clinical Director for authorisation and **NOT** returned directly to payroll. Please note that all claims must be submitted within 3 months of the leave being taken.

## APPENDIX 6 – Honoraria Declaration Statement



### DECLARATION STATEMENT TAX AND NATIONAL INSURANCE CONTRIBUTIONS IN RESPECT OF HONORARIA

I confirm that I am aware of the personal tax and national insurance contributions responsibilities associated with receiving honoraria payments, as outlined in the health board's standards of business conduct.

I understand that where honoraria is received for events undertaken in my own time (out of normal working hours or on authorised leave) I am **personally liable** for the payment of both tax and national insurance contributions on any honoraria payments received and it is my responsibility to personally declare this income to the inland revenue.

Where an honorarium is received for events undertaken in work time/and or whilst on study leave I will advise the sponsor that the payments should be paid direct to the health board. These funds will then be reimbursed to the appropriate revenue budget.

<b><i>Print Name:</i></b>	
<b><i>Position:</i></b>	
<b><i>Signature:</i></b>	
<b><i>Date:</i></b>	

## **APPENDIX 7- PROTOCOL FOR USE OF DECLARATIONS OF INTEREST REGISTER IN THE PROCUREMENT PROCESS**

### **1. INTRODUCTION**

It is recommended that the health board make active use of the information collected on declarations of interest in order to avoid undue influence and ensure probity in the procurement process.

This protocol details the process to be followed in that regard and should be read in conjunction with relevant procurement policies and procedures which can be found at the NHS Wales Shared Services Partnership – Procurements Services website:

<http://www.procurement.wales.nhs.uk/serviceusers/procurement-services-policies-and-procedures>

The following sections apply to contracts above £5k managed by procurements services. For contracts less than £5k or activities dealt with under devolved procurement the same process should be applied and the relevant procurement policies and procedures adhered to in order to ensure good governance arrangements.

### **2. INFLUENCE ON PROCUREMENT PROCEDURE**

Interests declaration forms must be issued for contracts above £5k where competitive quotations or tenders are undertaken at relevant stages within the procurement process as defined in the procurement procedures.

The completed form will be held by the procurement lead and will be kept on the procurement tender/contract file, for audit purposes.

Where the procurement lead has concerns about a declared interest, they should refer to the unit director whose options will include:

- To determine whether a conflict of interest exists;
- Seek advice from Director of Corporate Governance or Director of Finance and confirm decision with the procurement lead.

Where a conflict has been identified of a significant or serious nature, the following process must be followed:

- Reference to procurement lead and unit director;
- Referral to Director of Corporate Governance or Director of Finance for immediate decision on appropriateness of inclusion of the “interested party” in the procurement process.

All necessary steps will be taken in order to reach a decision and all decisions will be communicated to the procurement lead in writing within seven days.

A record of all decisions will be retained on the procurement file for audit purposes.

It is recognised that in some cases, the “interested party” will be vital to the procurement process/decision and in these circumstances a senior independent colleague should also be present during the process.

## INTERESTS DECLARATION FORM (PROCUREMENT)

The health board, including all hosted organisations, is obliged to ensure that the procurement process is carried out in accordance with the public procurement rules, NHS Guidance and the instructions of the District Auditor's office.

Accordingly, employees/ individuals will not be permitted to participate in any aspect of the procurement, as set out in the table below, or making recommendations in respect of the procurement named below unless they confirm, by signing this form, that they agree to be bound by those rules and instructions and that the statements set out below are correct.

### PROCUREMENT TITLE:

• Procurement Process	• Quotation	•
	• Mini Competition	•
	• Non OJEU Tender	•
	• OJEU Tender	•
• Extent of Involvement (Please tick all that apply for each stage of the process)	• Market Engagement	•
	• Specification Drafting	•
	• Evaluation Stage (Selection)	•
	• Evaluation Stage (Award)	•
	• Contract Award Stage	•
	• Other	•

### ***Please confirm that the following statements are correct:***

1. Neither I, my family, friends or acquaintances, will receive any benefit or gain (financial or otherwise, directly or indirectly) if the contract is awarded to any of the bidders involved in the process as they become known.  
☐
- 2a. I have no material interest in whether the contract is awarded or not.  
☐
- 2b. I am not in possession of any additional Information in respect of the procurement process. (Save for the information in the 'additional information box below)  
☐
1. I currently do not benefit in any way, financially or otherwise, including (but not limited to) the receipt of a grant or outside funding, that could influence my decision in respect of the procurement or any of the bidders involved in this process .  
☐
4. I have not received hospitality (other than of a nominal value or that declared in the register of gifts and hospitality maintained by corporate management) or any material gifts, as outlined in the health board's standards of business conduct from

any of the bidders involved in the process.

☐

2. I have read, understood and will abide by the NHS Guidance entitled "Standards of Business Conduct for NHS Staff" (DGM (93)84) and the health board's standards of business conduct.

☐

6. By signing this declaration I understand that it is my responsibility that should my circumstance change or a new relationship be established in relation to any bidding organisation, I will consult with the lead procurement contact and am aware that I may be required to complete a new declaration of interest or be required to withdraw my participation.

☐

- 7 I will keep the identities of the bidders, the content of the bids and procurement documents confidential.

I hereby certify that, to the best of my knowledge and belief, the statements set out above are correct. I understand that any failure on my part to declare an interest in a contract or otherwise to breach the rules and instructions mentioned above is a serious matter and could result in further legal or professional action being taken against me, including (but not limited to):

- Exclusion from the current procurement exercise and future procurement activities
- For health board employees, it could result in disciplinary proceedings being initiated.
- For non-employees of the health board we reserve the right to report the matter to their relevant employing organisation and professional body as potential professional misconduct
- Should the matter involve issues that are of a criminal nature e.g. fraud, bribery or corruption then the health board will notify the appropriate authority to take any necessary action which may include prosecution.

<b>Additional Information/ Updates Provided During the Process:</b>	
Please include any additional information you feel appropriate to declare in relation to this procurement. If you have no additional information, please state N/A.	
<b>Print Name:</b>	<b>Signed:</b>
<b>Position:</b>	<b>Organisation:</b>
<b>Date:</b>	



## APPENDIX 8 – HOSPITALITY PRINCIPLES



### **ABMU Health Board Hospitality Principles**

1. Basic hospitality (e.g. sandwiches) at working lunches should normally be reserved for meetings involving staff from outside the health board. Where staff are attending internal training events/meetings they will be expected to provide their own lunch.
2. Tea and coffee will be provided for meetings.
3. All hospitality request forms must be signed by the budget holder and source of funding identified prior to any booking requests being made.
4. Alternative hospitality arrangements may be signed off by an executive or unit director.
5. All functions/events that are funded through external sources can be provided as normal. (However, when accepting external sponsorship/hospitality care must be taken to ensure that the provider of these funds is not, nor could be, an organisation supporting aims in contradiction to those in the NHS. Refer to the health board's standards of business conduct.

## **APPENDIX 9 GUIDANCE ON THE PERSONAL USE OF HEALTH BOARD RESOURCES**

### **1. INTRODUCTION**

This document should not be seen to cast doubt on the integrity of health board staff. The health board recognises its staff as employees of a public organisation providing services to service users and doing everything they can to act with probity, integrity and openness in the performance of their functions in serving the public. However the commitment of the large majority of staff is affected by examples of poor conduct by a small minority.

The health board is committed to fostering a culture of honesty, propriety, integrity and openness.

### **2. KEY MESSAGES**

*What is this document all about?*

All aspects of misuse of health board resources. This ranges from:

- Misappropriation of health board property, including consumable stores;
- Deliberate misrepresentation of time records, including shift working, days-off in lieu, annual leave records and sickness records;
- Misuse of health board facilities for individual benefit, including external business interests;
- taking advantage of position within the health board for personal benefit.

*Does this apply to me?*

Yes, it applies to everyone in the health board, whether you are a nurse, doctor, operational services staff, manager, board member, clerical staff or any other occupation.

*So what is the key message?*

All health board staff are expected to maintain the highest standards of honesty and integrity in all aspects of work. Resources within the health board are provided for the direct and indirect provision of service user care and must not be diverted by staff for their individual benefit.

Any level of theft or fraud cannot and will not be tolerated as it has the effect of:

- Reducing resources available for service user care;
- Creating financial pressures on the health board which, ultimately affect the jobs of staff;
- Creating a climate of suspicion and tension which is bad for staff morale and service user care.

Consequently, it is the policy of the health board to instigate an investigation, which could lead to a disciplinary matter where cases of theft or fraud are alleged or where sufficient evidence becomes available.

### **3. MISAPPROPRIATION**

*What do we mean by misappropriation?*

Misappropriation is deliberately taking something that does not belong to you with the view of permanently depriving the health board of it. Unless specifically included within terms and conditions of employment, or provided by the health board for staff use, resources should not be used for the individual benefit of staff.

*But what if the supplies are no good to anyone else?*

It could be argued that if the excess food or the out-of-date dressings are to be thrown away, why not allow staff to enjoy the benefit? However, it can be demonstrated that

allowing staff to have leftovers leads to over-ordering and over-catering, which again unnecessarily increases health board expenditure.

*What if I want to take health board property home temporarily?*

This situation might arise where a member of staff has agreement to work from home and needs, say, a laptop computer to carry out the task. This is perfectly acceptable so long as permission to take the equipment off-site has been received in advance from your manager. To ensure that no misunderstandings occur, this permission should be evidenced in writing with a copy being kept with the equipment. Obviously, the equipment should be returned as soon as the task is complete.

*What about surplus equipment?*

It may be that equipment becomes surplus to the health board's requirements (e.g. an old filing cabinet, desk, etc.). In all cases managers must refer the issue to the procurement department for disposal in line with current procedures. If items are, eventually, sold to staff then the payment must be made before it is removed from the site. In their own interests, staff must obtain a receipt, which should be retained with the item when it is being removed. In all circumstances, guidance must be sought from the procurement department to ensure appropriate procedures are followed.

*What about purchasing items for personal use/consumption via health board suppliers at a reduced price?*

The health board does not permit any employee to purchase items for personal use or for personal use by others from health board suppliers.

#### **4. TIME KEEPING**

*What is the potential problem?*

The time of the staff is a health board resource in the same way as the buildings and equipment. Indeed, the health board spends a significant amount of its funding on salaries and wages so it is essential that it receives full value for this expenditure. Obviously, a member of staff may sometimes be late for work or may have to leave early - this is not a problem so long as it is discussed with the supervisor or manager concerned. What is not acceptable, is where the member of staff falsifies time records to disguise absence or to claim attendance - this may be fraud or may amount to obtaining a monetary advantage by deception

*What should I do to avoid the problem?*

Ensure that all time keeping records are accurately completed and, if you notice an inadvertent error, notify your manager immediately. The sorts of records where care should be taken are:

- On-call registers;
- Additional duty hours claims;
- Annual leave records;
- Shift registers;
- Sickness records, including "self-certification";
- Expense claims;
- Bank nurse claim forms;
- Domiciliary visit claims;
- Clock cards; and
- Flexi/time-in-lieu sheets.

#### **5. PERSONAL USE OF HEALTH BOARD FACILITIES**

*Please note this section does not relate to private patient activity. There are provisions for*

*clinical staff to use health board facilities for private patient activity which are covered in the private patients policy which staff should refer to for further advice and guidance in these circumstances.*

*What is the potential problem?*

The health board's facilities are devoted to the provision of service user care and are under pressure to meet increasing demand. Consequently, if these facilities are used for private purposes there is likely to be an adverse effect on service user care.

*Does this mean that health board facilities cannot be used for personal use?*

Not necessarily, speak to your line manager for advice in the first instance.

## **6. IN CASE OF DOUBT**

*What should I do if I am unsure about this guidance?*

In the first instance speak with your line manager.

Further advice and guidance can be sought from the unit director, information governance manager or Director of Corporate Governance.

*What should I do if I am aware of practice that is not in accordance with this policy and/or is causing me concern?*

In the first instance speak with your line manager. If you are not satisfied you should refer to the health board's Raising Concerns (Whistleblowing) Policy where your concerns can be escalated appropriately.

By raising your concerns with your line manager or by implementing the health board's Raising Concerns (Whistleblowing Policy), the health board will ensure;

1. Your concern will be taken seriously and will be investigated;
2. There will be no adverse "come back" on anyone who raises legitimate concerns, i.e. not malicious, even if, once investigated, they prove to be unfounded;
3. Action will be taken on all tip-offs, including those made anonymously. Please refer to the health board's policies on "Raising Concerns (Whistleblowing) Policy" and "Counter Fraud Policy and Response Plan" for full guidance on 'tip-offs'.

## **APPENDIX 10 - STAFF CONDUCT OUTSIDE THE WORKPLACE/NORMAL WORKING HOURS**

### **GUIDANCE NOTES**

#### **1. STATEMENT OF INTENT**

This guidance is designed to inform and remind staff of their contractual responsibilities with regard to their expected conduct whilst attending events connected with the health board that take place outside normal working hours and/or outside the workplace.

The health board would expect that its staff attend and participate normally in any such events such as those mentioned in this guidance and emphasises that these guidelines are simply a reminder to staff of their responsibility to the health board at any such event.

#### **2. RESPONSIBILITIES**

##### **2.1 Health Board Responsibility**

The health board holds vicarious liability for staff conduct during normal working hours and in the work place. This liability also applies whilst members of staff attend business or social events connected with the health board and /or where they are representing the health board at events that take place outside normal working hours and/or outside the workplace.

##### **2.2 Departmental Manager Responsibility**

Departmental managers should ensure that all staff within their department are aware of this guidance. It is advisable that all members of staff are made aware of these guidance notes, especially during times when it is known that events are taking place.

##### **2.3 Staff Responsibility**

Staff should ensure that they are familiar with and adhere to this guidance. Any queries relating to this guidance should be directed in the first instance to their departmental manager, or their local workforce and organisational development lead.

#### **3. STAFF CONDUCT OUTSIDE THE WORKPLACE/NORMAL WORKING HOURS**

When representing the health board on business or social functions, staff should be mindful of the appropriate policies and guidelines. These will include: disciplinary policy and rules, substance misuse at work policy, the dignity at work policy and policies relating to data protection and confidentiality.

These policies, along with others, apply to staff whether it is during normal working hours, in the workplace, or the occasions mentioned above. Therefore staff have a duty to conduct themselves responsibly in all of these instances.

##### **3.1 CIRCUMSTANCES WHEN HEALTH BOARD DISCIPLINARY ACTION MAY BE APPLICABLE**

Under employment law, the health board is able to take disciplinary action if necessary against a member of staff where misconduct has occurred outside the normal hours and place of employment, where it can be proved that the act of misconduct has a connection with their work place or with the employment relationship between the individual and the health board. This includes, but is not limited to, the following circumstances:

- The misconduct affects the health board's reputation or business interests;
- The misconduct damages the employee's relationship with their colleagues;
- The misconduct damages the employee's subsequent performance;
- The misconduct damages the employer's trust in the employee;

- The misconduct breaches any of the health board's existing policies such as 'disciplinary policy and rules', 'dignity at work', 'data protection and confidentiality' and 'alcohol/drug abuse at work policy and procedure'. This list is not exhaustive.

Where a member of staff is considered to have conducted themselves in an inappropriate manner as mentioned above, it can be dealt with through the health board's grievance policy or disciplinary policy via an appropriate investigation.

Any subsequent actions will be taken in accordance with the health board's disciplinary policy.

For further information and guidance please contact your local workforce and organisational development department.



## DECLARATION OF SECONDARY/SELF EMPLOYMENT

<b>Name</b>	
<b>Department</b>	
<b>Job Title</b>	
<b>Assignment No.</b>	

I have read and understood the Standards of Business Conduct for LHB staff, and in accordance with those Standards I hereby declare the following second/self employment.

<b>Name of Employer</b>	
<b>Nature of Business</b>	
<b>Nature of Employment</b>	

### Declaration:

I declare that the information I have given on this form is correct and complete. I undertake to immediately inform the Health Board of any change in the circumstances stated.

**During periods of sickness absence, I understand that I must not undertake any other work without the prior written consent of my line manager.**

Signature: .....

Date: .....

### Authorised (line manager)

*I have considered the above, and I am satisfied that the nature of the declared second employment is not incompatible with the employee's primary Health Board position. I have explained that to continue to undertake other work during periods of sickness absence without obtaining prior written consent may be considered in breach of contract, and subject to investigation under the Health Board's Disciplinary Policy and/or Counter Fraud Policy and Response Plan.*

Signature: .....

Date: .....