

<b>Report To:</b>	Governing Body	<b>For decision</b>	<input checked="" type="checkbox"/>
<b>Report Title:</b>	Revised Hospitality, Sponsorship and Gifts Policy	<b>For discussion</b>	<input type="checkbox"/>
<b>Report From:</b>	Maria Maltby, Head of Corporate Services	<b>For information</b>	<input type="checkbox"/>
<b>Date:</b>	20 January 2016	<b>Confidential</b>	<input type="checkbox"/>

<b>Purpose of the Report:</b>	
The purpose of this report is to provide the Governing Body with the proposed revisions to the Hospitality, Sponsorship and Gifts Policy following a review of existing practice by both the Audit Committee and the Executive Team.	
<b>Key Points:</b>	
<ul style="list-style-type: none"> <li>In October 2015, the Audit Committee recommended that the Hospitality, Sponsorship and Gifts Policy be updated to provide more clarity on the requirement of GPs to declare attendance at educational events.</li> <li>The Audit Committee also requested that the Executive Team review the benefits and risks related to the CCG’s policy of accepting sponsorship for meetings from pharmaceutical companies given recent media coverage of members of one CCG accepting inappropriate hospitality. The Executive Team considered the policy at its meeting on 02 December and agreed that whilst there had been no influence on any of the CCG’s decision making there was a risk of perceived influence.</li> <li>To mitigate this risk and on the basis that clinicians felt that presence of pharmaceutical representatives at events had little benefit for the CCG, the Executive unanimously recommend to Governing Body that this practice should not continue. This recommendation was supported by the Audit Committee on 09 December and the Members’ Council on 16 December.</li> <li>Amendments have been made to the Hospitality, Sponsorship and Gifts Policy to reflect the recommendations above. Other additional amendments have been made to the policy. These do not change the intent of the policy but are intended to strengthen and provide more clarity.</li> <li>All amendments are highlighted in red and green within the document.</li> </ul>	
<b>Recommendation (s):</b>	
It is recommended that the Governing Body:	
<ul style="list-style-type: none"> <li>Approves the Executive’s recommendation to cease all practice of sponsorship of meetings by pharmaceutical companies.</li> <li>Approves the revised Hospitality, Sponsorship and Gifts Policy for implementation.</li> </ul>	
<b>Previously Considered By:</b>	<b>Date:</b>
N/A	N/A

<b>CCG Objectives:</b>	
To build relationships with patients and our communities	<input type="checkbox"/>
To improve health and reduce health inequalities	<input type="checkbox"/>

To improve the quality of care and transform services	<input type="checkbox"/>
To make best use of resources	<input type="checkbox"/>
Governance and Assurance	<input checked="" type="checkbox"/>
<b>Financial Implications:</b>	The CCG will need to allocate additional budgetary resources to cover the cost of hospitality for meetings that are currently sponsored. Based on current meeting costs, this is estimated to be a requirement of approximately f £10,200.
<b>Performance Implications:</b>	None relating specifically to this report
<b>Quality Implications:</b>	None relating specifically to this report
<b>Equality and Diversity Considerations:</b>	None relating specifically to this report
<b>Patient and Public Engagement:</b>	None relating specifically to this report
<b>Risk Assessment:</b>	It is essential that the CCG has robust controls in place to help prevent potential fraud or bribery of which acceptance of Gifts and Hospitality is included. Failure to have adequate arrangements in place could affect the CCG's assurance rating, put the CCG at risk of not ensuring appropriate arrangements for fraud, bribery and corruption and subject the CCG to potential reputational damage.



*South Warwickshire  
Clinical Commissioning Group*

# Hospitality, Sponsorship and Gifts Policy DRAFT

## VERSION CONTROL

<b>Version:</b>	1.1
<b>Ratified by:</b>	Not yet ratified
<b>Date ratified:</b>	Not yet ratified
<b>Name of originator/author:</b>	Maria Maltby, Head of Corporate Services
<b>Name of responsible committee:</b>	Clinical Quality and Governance Committee
<b>Date issued:</b>	Not yet issued
<b>Review date:</b>	December 2018

## VERSION HISTORY

<b>Date</b>	<b>Version</b>	<b>Comment / Update</b>
15/17/14	0.1	First draft by Maria Maltby
19/11/14	1.0	Approved by Governing Body
10/12/15	1.1	Amendments following recommendations from Executive Team to cease meeting sponsorship and from Audit Committee to provide clarity regarding attendance at training.

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## 1. Introduction

- 1.1. People who work in the public sector, including healthcare professionals and employees have always had to manage any offers of hospitality, sponsorship and gifts. Such gratuities can lead to conflicts or potential conflicts of interest which can be seen as acts of corruption by members of the public or competing companies which seek to provide services to the CCG. By recognising where and how they arise and dealing with them appropriately, commissioners will be able to ensure proper governance and transparency around managing hospitality, sponsorship and gifts.
- 1.2. The NHS Constitution contains principles and values which underpin the way in which public money is spent to provide good quality of care whilst ensuring value for money. NHS South Warwickshire Clinical Commissioning Group (CCG) has adopted these principles and values, the Nolan principles of good practice, along with Standards for Members of NHS Boards and CCG Governing Bodies in England, which complement the Nolan principles.
- ~~1.3. This policy sets out how the CCG will manage the acceptance or refusal of hospitality, sponsorship and gifts during all aspects of the operation and functions of the organisation.~~
- 1.4. The intention of this policy is to outline the behaviours required to maintain the highest standards of probity and provide assurance that any relationships entered into lead to a clear benefit for the NHS, and represent value for money.
- 1.5. The policy aims to protect both the organisation and the individuals involved from any appearance of impropriety and demonstrate transparency to the public and other interested parties.
- 1.6. This policy has been written in line with the Bribery Act 2010 and Fraud Act 2006 and will be updated with any changes to UK and EU legislation.

## 2. Policy Statement

- 2.1. All employees and others acting on behalf of the CCG must apply the following principles:
  - Not accepting gifts, hospitality or benefits of any kind from a third party which might be perceived as compromising their personal judgement or integrity;
  - Not using their official position to further their private interests or those of others;
  - Declaring all relevant private interests;
  - Basing all procurement decisions and negotiations of contracts on achieving best value for money for the tax payer;
  - Referring to their line manager when faced with a situation for which there is no adequate guidance;
  - If in any doubt, seeking advice from the Director of Quality and Governance or the Head of Corporate Services.

## 3. Scope of the policy

- 3.1. This policy applies to those members of staff that are directly employed by the CCG and for whom the CCG has legal responsibility. For those staff covered by a letter of authority/honorary contract or work experience the organisation's policies are also applicable whilst undertaking duties for or on behalf of the CCG. Further, this policy applies to all third parties and others authorised to undertake work on behalf of the CCG.

- 3.2. This policy also applies to individuals, who whilst they are not employed by the CCG, are involved with the business of the CCG by virtue of acting as a member or adviser to the Governing Body, a Committee, Members' Council or Executive Team.
- 3.3. The policy excludes GP Members' own internal register for hospitality and gifts offered by patients in their capacity as a provider of healthcare services. Each practice should have its own internal procedure for the management of such gifts and hospitality (such as chocolates, flowers, wine etc). Any gifts, hospitality or sponsorship offered to GPs and Practices over and above those received from patients are covered by this policy as they may be made in their capacity as a commissioner of healthcare services or as a member of the CCG

## 4. Definitions and Examples of Hospitality, Sponsorship and Gifts

### Hospitality

- 4.1. Hospitality includes, for example, offers of food, refreshments, transport, accommodation and the use of entertainment, facilities, equipment or services which could include a company offering entertainment at a sports or arts event, a hospitality box or suite.
- ~~4.2. Hospitality can be defined as generous treatment offered to employees or members for the use of entertainment, such as clients, guests, or visitors who are being entertained.~~

### Sponsorship

- 4.3. Sponsorship can be defined as a person or organisation that provides or pledges money or hospitality to help fund an event. Examples include payment for a venue or provision of a lunch or drinks at a meeting where CCG business is conducted.

### Gifts

- ~~4.4. 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.~~
- 4.5. Gifts include, for example, offers of cash or cash equivalents (eg, gift vouchers, lottery tickets, or trade cards) and non-cash gifts eg, pens, diaries, wine and spirits, hampers, electrical goods by suppliers, contractors, service users or their relatives.

## ~~5. Provision of hospitality~~

- ~~5.1. Hospitality should not normally be considered as part of the arrangements when conducting NHS business and should only be provided when necessary.~~

## 6. Hospitality

- 6.1. The CCG or individual receiving the hospitality should never put themselves in a position where there could be any suspicion that their business decisions could have been influenced by accepting hospitality from others.
- 6.2. There is a need to distinguish between simple, low cost hospitality of a conventional type, for example, a working lunch or evening meal compared with more expensive and elaborate hospitality. There is clearly a need for a sense of balance. Modest hospitality is an accepted courtesy of a business relationship. As a general principle, the frequency and/or scale of any hospitality accepted should not be significantly greater than that which the CCG would normally provide for others in similar circumstances.
- 6.3. Acceptance of frequent, regular or annual invitations to events or functions, particularly from the same source and where a considerable degree of hospitality is involved, may severely test the principles stated earlier and should be refused. However, there may be instances where staff

receive invitations to events run by organisations where attendance is considered an integral element in building and maintaining relationships. In these circumstances it is important that the guidelines and procedures in this policy are followed. Where there is any doubt advice should be sought from the Director of Quality and Governance or the Head of Corporate Services.

- 6.4. The offer and/or acceptance of hospitality which goes beyond simple low cost or conventional type refreshments provided at meetings should be recorded in the gifts, hospitality and sponsorship register.
- 6.5. The main point is that in accepting hospitality, staff need to be aware of, and guard against, the dangers of misrepresentation or perception of favouritism. It is easier to justify meetings which relate directly to work, but where these happen outside working hours and on purely social occasions then they need to be justified as not being a personal gift or benefit. Where a contract is being negotiated, hospitality of any kind, including attendance of staff at seasonal events hosted by suppliers or contractors, should not be accepted.
- 6.6. There may be circumstances where hospitality is provided by the CCG to other organisations. The use of NHS funds for hospitality should be carefully considered. All expenditure on these items should be capable of justification to both internal and external auditors as reasonable in the light of accepted practice in the public sector. Any hospitality provided would need to be recorded in the gifts, hospitality and sponsorship register.

## Meetings

- ~~1.1. Hospitality must be secondary to the purpose of the meeting. Working lunches should be considered only when a meeting takes place over the lunch-time period and when some of the people attending are from off-site and even then, should not be provided as a matter of course.~~
- ~~1.2. When considered essential, working lunches should be limited to sandwiches or a modest buffet type meal.~~

## 7. Commercial sponsorship for meetings and training events

- ~~1.1. As a general rule, sponsorship arrangements involving the CCG should be at a corporate, rather than individual level. They may not be made towards events organised by individuals or organisations that have goals incompatible with the organisation's ethical standards or that would damage the CCG's reputation.~~
  - ~~1.2. Industry representatives are permitted to provide appropriate hospitality and/or meet any reasonable, actual costs, which may be incurred.~~
  - ~~1.3. Where sponsorship or joint working is being sought, the opportunity to participate should be offered to an appropriate range of companies within the pharmaceutical industry. Sponsorship should not be accepted where it could subject the CCG to criticism for giving preferential treatment to one supplier above another.~~
  - ~~1.4. Hospitality must be secondary to the purpose of the meeting. The level of hospitality offered must be appropriate to the occasion and the costs involved must not exceed that level which the recipients would normally expect when paying for themselves or that which could be reciprocated by the CCG. It should not be extended beyond those whose role makes it appropriate for them to attend the meeting.~~
  - ~~1.5. Any meeting that is sponsored must be disclosed in papers relating to the meeting and any published proceedings.~~
- 7.1. There will be no sponsorship for meetings (including collaborative meetings), education and training events arranged directly by the CCG.

## ~~8. Offer of gifts~~

## 9. Training Events

- 9.1. Individuals should only accept sponsorship to fund their attendance at relevant conferences, courses or work-related visits with the prior approval of the Chief Officer, who needs to ensure there can be no perception of a conflict of interest in relation to the motives of the organisation making the offer. All such offers, whether accepted or not, should be declared and recorded in the gifts and hospitality register.
- 9.2. This applies to the CCG's Governing Body and Member Practices if they are acting on behalf of the CCG under authority given to them by the CCG rather than in their role as a provider of primary medical care.

## 10. Gifts

- 10.1. Offers of cash or cash equivalents made by suppliers, contractors, patients or their relatives to employees or individuals acting on behalf of the CCG should be declined.
- 10.2. Gifts of a small or inexpensive nature such as calendars, pens or diaries or other simple or inexpensive items such as flowers and chocolates can be accepted. This type of gift can be easily distinguishable from more expensive or substantial items which cannot on any account be accepted. These should be firmly but politely declined. If there is any doubt as to whether the acceptance of such an item is appropriate, the matter should be referred to the Director of Quality and Governance or the Head of Corporate Services.
- 10.3. It is recognised that there are exceptional cases where refusal of a gift will clearly offend a donor, cause embarrassment or appear discourteous. In these cases the donor should be advised that the permission of management will have to be sought as to whether or not the gift can be accepted. The Director of Quality and Governance or the Head of Corporate Services should be asked to decide whether to:
  - Allow the recipient to accept the gift; or
  - Return the gift to the donor with a suitably worded letter explaining why the gift cannot be accepted; or
  - Use or dispose of it, if possible, in or by the CCG.
- ~~10.4. Gifts or other benefits of any kind from a third party, which might be seen to compromise the individual's personal and professional integrity must not be accepted. Corruptly soliciting or receiving any gift or favour is a criminal offence.~~
- ~~10.5. Any acceptance of gift needs to be justified. CCG members and employees are asked to think about the context in which the offer has been made, and the effect on their position. For example, could the gift be likely, or be seen as likely to influence? The onus is on the CCG member or employee to make sure that the acceptance of a gift will not be misconstrued.~~
- ~~10.6. As described above, gifts should, in general, be refused to avoid the appearance of improper acceptance. However, gifts and benefits of a trivial or inexpensive nature may be accepted. This could include items such as:
  - low value promotional gifts (such as calendars, diaries and other small gifts) inscribed with the provider's name;
  - conventional personal gifts, such as flowers, fruit or confectionery of reasonable value — for someone who has been off work for a long time (for example through sickness or the birth of a child);~~

- ~~team gifts of low value, such as confectionery, intended to be shared by the team.~~

~~10.7. The following should not be accepted:~~

- ~~gifts on a larger scale than those described above;~~
- ~~goods or services provided by a business contact for personal benefit at nil or reduced cost (for example building or maintenance work);~~
- ~~payment by business contacts to subsidise social events (such as Christmas parties).~~
- 

## ~~11. Duties and responsibilities in declaring an offer of, acceptance or refusal of hospitality, sponsorship or gifts~~

~~7.1. All CCG members and staff must take great care over offering or accepting offers of gifts, hospitality and entertainment that are in any way (currently or prospectively) linked to the organisation's business. This is to avoid anyone being put in a position where there is potential or actual conflict of interest, or which might be construed in that light.~~

~~7.2. Individuals should:~~

- ~~report immediately all offers of unreasonably generous gifts to the Head of Corporate Services and/or a Director;~~
- ~~return promptly any unacceptable gifts, with a letter politely explaining the terms of this policy and stating that you are not allowed to accept them; and~~
- ~~dispose of any gift that cannot be returned (such as perishables) at the discretion of a suitably senior member of staff. For example, it might be shared between junior staff or given to a charity. In these cases the supplier should also be informed, in writing, of the organisation's action.~~

## ~~12. Managing hospitality, sponsorship and gifts to protect the integrity of the decision-making process of the CCG~~

~~8.1. To support the CCG in delivering its statutory requirements, the Head of Corporate Services, on behalf of the Chief Officer, will maintain a Register of Hospitality, Sponsorship and Gifts declared by the CCG members and employees, together with the date that the declaration was made.~~

## **13. Record Keeping**

13.1. A gifts and hospitality register is held by the Head of Corporate Services. The register is used to record all offers of and acceptances of gifts and hospitality in accordance with this policy whether accepted or declined.

13.2. All gifts and hospitality with a value in excess of £25 per item received, or collective items, must be registered. Gifts should be declared if several small gifts worth a total of over £100 are received from the same or closely related source in a 12 month period.

13.3. The form at **Appendix 1** should be completed and returned with any other correspondence to the Head of Corporate Services within two weeks so that the details can be recorded on the register.

13.4. When in doubt about whether an offer or receipt of a gift or hospitality is acceptable, advice should be sought from the Director of Quality and Governance or from the Head of Corporate Services.

13.5. The gifts and hospitality register will be published on the CCGs website and available upon request ~~by post or email~~.

## **14. Breaches of the policy**

14.1. Failure to comply with this policy will be addressed under the disciplinary processes in respect of CCG of employees of the CCG, or otherwise as set out in the CCG's Constitution. Criminal acts will be reported to the CCG's Local Counter Fraud Specialist for consideration of appropriate action and reported to the Police.

## **15. Equality and Diversity**

15.1. The CCG is committed to ensuring that it treats all its members fairly, equitably and reasonably and that it does not discriminate against individuals or groups on the basis of their ethnic origin, physical or mental abilities, gender, age, religious beliefs or sexual orientation. Accordingly an Equality Impact Assessment has been completed for this policy.

15.2. If you have any concerns or issues with the contents of this policy or have difficulty understanding how this policy relates to you or your role, please discuss them with the Head of Corporate Services.

## **16. Monitoring Compliance and Effectiveness of the Policy**

16.1. The gifts and hospitality register will be ~~refreshed quarterly and~~ reviewed by the Audit Committee quarterly. The Governing Body will receive the Register annually.

16.2. The policy will be reviewed every three years or earlier should the CCG become aware of changes in practice, changes to statutory requirements, revised professional or clinical standards and local / national directives that affect, or could potentially affect the policy.

## Appendix 1 - Notification of receipt of gifts or hospitality

This form should be completed when gifts or hospitality have been received/offered

Name: (please print)	
Job Title:	
Contact Telephone Number/Email:	
Details of Gift or Hospitality, including value and how accepted	
Person/Organisation making the gift or offering hospitality Include address and contact telephone number	
Reason for the offer	
Reason for acceptance/refusal of gift or hospitality	
Any other information relevant	

Signature:	
Date:	