

STANDARDS OF BUSINESS CONDUCT, HOSPITALITY & SPONSORSHIP

1. Introduction

NHSBT respects the integrity and objectivity of its staff and the guidance below is designed to protect both staff interests and those of NHSBT.

2. Legal Framework

The law is set out in the Prevention of Corruption Acts, 1906 and 1916: it is an offence for employees corruptly to accept any gifts or consideration as an inducement or reward for

- doing, or refraining from doing, anything in their official capacity or
- showing favour or disfavour to any person in their official capacity.

Under the 1916 Act, any money, gift or consideration received by an employee in public service from a person or organisation holding or seeking to obtain a contract will be deemed to have been received corruptly unless the employee proves to the contrary.

Under NHS Standing Orders and European Commission Directives on Public Purchasing for Works and Supplies, the requirement is for fair and open competition between prospective contractors or suppliers.

3. General Principles

All NHSBT staff **must**

- act impartially and honestly in all their work
- use the public funds entrusted to them to the best advantage of NHSBT and the NHS, always ensuring value for money
- ensure that the interest of patients remains paramount at all times, even if not directly involved in patient care
- ensure no breach of patient confidentiality in any sponsorship arrangement
- refuse gifts, benefits, hospitality, inducements or sponsorship of any kind which might reasonably be seen to compromise their personal judgement or integrity and to avoid seeking to exert influence to obtain preferential consideration
- refuse preferential rates or other benefits in private transactions carried out by anyone with whom they also have NHSBT business dealings (excluding those available to all staff)
- declare and register gifts, benefits, hospitality, inducements or sponsorship according to the policy below
- declare and register financial or personal interests in any organisation with which they have to deal, withdrawing from dealings if required (see Staff Interests Register)
- report to the NHST Board any offers of sponsorship potentially breaching this Code of Conduct
- provide hospitality only where necessary and not solely to reciprocate hospitality received on a previous occasion
- abide by the NHSBT Standing Financial Instructions, Standing Orders and Delegations of Power
- abide by NHS guidance on standards of business conduct, hospitality and sponsorship (see Appendix A)
- abide by the professional code of any body of which they are a member

All NHSBT staff **must not**

- abuse their official position or information acquired in the course of their work for personal gain or to benefit their family or friends

- seek to advantage or further private business or other interests in the course of their work
- use their professional registration or status in the promotion of commercial products or services
- agree to practice under any conditions which compromise professional judgement and impartiality or impose such conditions on other professionals
- engage in outside employment which may conflict with, or be detrimental to, their NHSBT work
- extend hospitality to spouses of staff or guests unless the circumstances fully justify and it is agreed by the Chief Executive or Chairman
- incur expenditure outside normal subsistence reimbursement rules

4. Commercial Sponsorship Principles

In common with all NHS bodies, NHSBT should work with other agencies to improve the health of the population we serve. Accordingly, partnerships with industry and commerce may provide many benefits to NHSBT and the wider public, in addition to the obvious benefits for industry and commerce. To make such partnerships work there must be trust and reasonable contact between the various parties. Such partnerships may well involve sponsorship of NHSBT, and this must be properly managed, with fair and open dealings.

Commercial sponsorship is defined as including NHSBT funding from an external source, including funding of all or part of the costs of a member of staff, external staff, NHSBT research, training, pharmaceuticals, equipment, premises, costs associated with meetings, meals, gifts, hospitality, entertainment, hotel and transport and provision of free speakers.

Sponsorship linked to the purchase of specific products or sources of products is not acceptable, unless resulting from a transparent tender for defined goods or services. The exception is for noncommercial research and development originated or hosted by NHSBT, where compliance must be with the guidance set out in Paragraph 28 of Health Service Guideline (97) 32, "Responsibilities for meeting Patient Care Costs Associated with Research and Development in the NHS". See also Appendix B.

5. Contract Principles

NHSBT requires all staff and Board members who are in contact with suppliers and contractors (including external consultants) to abide by the Ethical Code of the Institute of Purchasing and Supply reproduced at Appendix C.

The aim is to ensure fair and open competition between potential suppliers or contractors. This means that no potential supplier or contractor may be given any advantage over its competitors, for example, by being given advance notification of contract requirements.

6. The Policy

6.1 Hospitality Received:

Casual gifts, benefits, hospitality or entertainment offered by contractors or others in the course of NHSBT business should be politely declined. This applies regardless of whether offers are in work or personal time.

However, staff may accept articles of low intrinsic value, often given at Christmas, such as diaries, calendars, pens or paperweights (such items often have the gifting company's logo). Also acceptable are small tokens of gratitude from patients or their relatives. Such gifts are likely to be given to a limited number of staff and should be distributed to other staff where appropriate. Acceptance of modest hospitality is permissible provided it is normal and reasonable in the circumstances – for example, lunch in the course of a working visit. Hospitality provided must not exceed that which staff would normally adopt when paying for themselves, or that which could be reciprocated by NHSBT.

If in doubt staff must either consult their line manager or politely decline acceptance. Any commercial sponsorship or relationship must be relevant, publicly declared and have proper prior approval. Corporate seminars, invitations to scientific meetings and product reviews are typical examples of hospitality provided and acceptable. Such hospitality must be reasonable, and incidental to the main purpose of the meeting or event. Meeting papers and minutes must disclose any sponsorship given.

Any gifts, benefits, hospitality, entertainment, inducements or sponsorship offered, whether accepted or declined, must be recorded on the Gift, Hospitality and Entertainment Register held by the individual Directorate Administrator.

Any offer of commercial sponsorship, either for an individual or to NHSBT, must be channelled through a member of staff's executive director, or the Chief Executive.

6.2 Hospitality Provided:

At business, management and staff meetings basic beverages may be provided. Working lunches should only be considered when a meeting continues during the course of a lunch and some of those attending are from off-site. When considered essential, they should be limited to a buffet type meal and normally any in-house caterer should be used.

Where staff visit other NHS sites and subsidised canteen facilities are available, they may not claim any meal allowance.

6.3 Limits

Staff must disclose on the Register within one month of any offer or receipt of any gift, benefit, hospitality, entertainment, inducement or sponsorship.

Personal gifts under £25 need not be declared. Gifts in total exceeding £100 in a 12-month period from the same source must be declared.

Expenditure on hospitality provided is limited to the level of normal subsistence reimbursement rules.

6.4 Penalty

Failure to comply with this guidance and policy will be viewed as misconduct.

7. Further Guidance

Any further guidance or interpretation of this policy should be referred to the Chief Executive of NHSBT for specific authorisation.

APPENDIX A

SOURCES OF GUIDANCE ON BUSINESS CONDUCT, HOSPITALITY & SPONSORSHIP

NHSBT Standing Financial Instructions, Standing Orders and Delegations of Power, March 2014.
Health Service Guideline (93) 5, Standards of business conduct for NHS staff, January 1993
DoH Guideline, Commercial sponsorship – ethical standards for the NHS, November 2000
Institute of Purchasing and Supply Ethical Code, February 1977
Medicines (Advertising) Regulations 1994
Health Service Guideline (97) 32, Responsibilities for meeting Patient Care Costs Associated with Research and Development in the NHS
Health Service Circular (96) 48, NHS Indemnity, Arrangements for Clinical Negligence Claims in the NHS”
Health Service Circular (98) 106, Policy Framework for the Management of Intellectual Property within the NHS from R&D.

APPENDIX B

RESEARCH AND DEVELOPMENT (R&D)

Exceptionally, for non-commercial R&D originated or hosted by NHS providers, commercial sponsorship may be linked to the purchase of specific goods or services, or from specific sources. Such sponsorship must comply with the guidance set out in Paragraph 28 of Health Service Guideline (HSG) (97) 32, “Responsibilities for meeting Patient Care Costs Associated with Research and Development in the NHS”. Alternatively, commercial sponsorship may be as a contribution towards the project costs.

Any research funding must be transparent. NHSBT must consider how ongoing costs initiated during the research will be managed after the project ends.

Separate guidelines exist for pharmaceutical company Sponsored Safety Assessment of Market Medicines (SAMM) which remain in force.

The costs of commercial R&D undertaken by NHSBT should be recovered from the commercial concern on whose behalf it is carried out (under HSG (97) 32, paragraph 7). An industry sponsored trial should not commence until an indemnity agreement is in place (under Health Service Circular (HSC) (96) 48 “NHS Indemnity, Arrangements for Clinical Negligence Claims in the NHS”. A standard form of indemnity agreement can be found at Annex B of that guidance.

NHSBT should benefit from commercial exploitation of intellectual property derived from R&D funded either by NHSBT or for which it has been funded, even where NHSBT does not own the intellectual property itself. NHSBT must ensure that an agreement to this effect is included in any R&D contracts. NHSBT must follow guidelines in HSC (98) 106 "Policy Framework for the Management of Intellectual Property within the NHS from R&D".

APPENDIX C

INSTITUTE OF PURCHASING AND SUPPLY ETHICAL CODE

(Reproduced by kind permission of the IPS)

Introduction

1. The code set out below was approved by the Institute's Council on 26 February 1977 and is binding on IPS members.

Precepts

2. Members shall never use their authority or office for personal gain and shall seek to uphold and enhance the standing of the Purchasing and Supply profession and the Institute by:

a. maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside the organisations in which they are employed

b. fostering the highest possible standards of professional competence amongst those for whom they are responsible

c. optimising the use of resources for which they are responsible to provide the maximum benefit to their employing organisation

d. complying both with the letter and spirit of:

i. the law of the country in which they practice

ii. such guidance on professional practice as may be issued by the Institute from time to time

iii. contractual obligations

e. rejecting any business practice, which might reasonably be deemed to be improper.

Guidance

3. In applying these precepts, members should follow the guidance set out below

a. Declaration of interest. Any personal interest, which may impinge or might reasonably be deemed by others to impinge on a member's impartiality in any matter relevant to his or her duties, should be declared.

b. Confidentiality and accuracy of information. The confidentiality of information received in the course of duty should be respected and should never be used for personal gain; information given in the course of duty should be true and fair and never designed to mislead.

c. Competition. While bearing in mind the advantages to the member's employing

organisation of maintaining a continuing relationship with a supplier, any relationship which might, in the long term, prevent the effective operation of fair competition should be avoided.

APPENDIX D

Gifts, Hospitality and Entertainment Register – to document ref. GHER.....
Version