



## PCRS Conflicts of Interest Policy

### 1. Background – Why have a policy?

To maintain and enhance the reputation of the PCRS as an independent, charitable professional organisation, it is critical that all its activities are and are perceived to be free from commercial or personal interests particularly in relation to respiratory policy and education / guidance.

Moreover, Trustees have a legal obligation to act in the best interests of the Charity and in accordance with the memorandum and articles of association and to avoid situations where there may be a potential conflict of interest.

Conflicts of interest may arise where an individual's personal (or family) interests and / or loyalties conflict with those of the PCRS. Such conflicts may create problems such as:

- Inhibits free discussion
- Results in decisions or actions taken that are not in the best interests of the PCRS
- Risks causing the impression that the PCRS has acted improperly

As far as the PCRS is concerned, the links and interests of most concern relate to the pharmaceutical industry and other organisations in the respiratory field. The aim of this policy is to protect both the PCRS and individuals involved, from any impropriety or appearance of impropriety. The policy is reviewed and updated on an annual basis by the PCRS trustees.

### 2. Declaration of Interests Register

#### 2.1 Process

All Trustees, Executive members and Chief Executive plus members of committees, working parties / other groups which have delegated authority / powers (*'committees'*) will be asked to declare their interests using an online webform for the previous calendar year at the point they join a 'Committee' and on an annual basis in January thereafter. A declaration of interest form is provided for this purpose (see <https://www.pcrs-uk.org/form/declaration-interests>) identifying the types of interests that should be declared.

If the webform is not completed / updated within 6 weeks of being issued (inclusive of two reminders), the member may be asked to stand down temporarily until a form is received.

Any new interests not contained on the register accrued during the year are notified to the PCRS Operations Team and / or declared at the next Committee meeting regardless of relevance to a given agenda item. A list of new interests accruing by individuals during the year is logged by the PCRS Operations team and circulated as part of the agenda for any trustee or committee meeting<sup>1</sup>.

#### 2.2 Nature of interests to be declared

- Personal income<sup>1</sup> and benefits:
  - Paid work: employment (including partnerships); other paid work with healthcare related organisations
  - Other income (e.g. share dividends)
  - Other personal benefits (e.g. travel grants/hospitality to attend conferences/ meetings)
- Pooled/non-personal income<sup>1</sup> - income earned by the individual from healthcare related organisations, for work that is external to the practice/employer organisation, that is paid to the practice/employer
- Unpaid work: trustee/directorships; other unpaid work with any healthcare related organisations
- Shares<sup>2</sup> owned by self (or close family; spouse/civil partner/children) in healthcare related organisations
- Non-personal income that is received by any healthcare organisation in the respiratory area by any company that the individual is a director and had a band D interest

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<sup>1</sup> It is not practical to update new interests accrued during the year online because an individual will not necessarily know what band (see table 1, 2.2 below) the specific interest belongs to until the end of the year

- vi. Other non-personal interests: fees/grants/benefits in kind that the individual has direct responsibility for, that are paid to the practice/CCG/department from any healthcare organisation in the respiratory area
- vii. Interests of spouses/civil partners and children: employment, other paid work, and significant unpaid work for any Non- NHS healthcare organisation in the respiratory area

<sup>1</sup>Income will be declared by organisation and in total for the pharmaceutical industry

<sup>2</sup>Share ownership/holding is pertinent as an indicator of the influence (and potential financial gain) an individual has over an organisation. The % shareholding (of the total company) being the significant factor not the value of the shares. Income/dividend from shares is declared as personal income (see i above).

Financial interests will be collected by bands (see table 1 for definition of the bands).

Table 1; Definition of bands

<b>Band</b>	<b>Personal income*</b>	<b>Non-personal income (pooled in practice/CCG/department)*</b>	<b>Share holdings</b>
A	<i>Less than 2% gross annual income</i>	<i>Less than 2% of gross annual income</i>	<i>Share- holding less than 5%</i>
B	<i>Between 2% and 10% of gross annual income</i>	<i>Between 2% and 10% of gross annual income</i>	<i>6-25% share holding</i>
C	<i>Between 10% and 20% gross annual income</i>	<i>Between 10% and 20% gross annual income</i>	<i>26-50% share holding</i>
D	<i>Over 20% of your gross annual income</i>	<i>Over 20% of your gross annual income</i>	<i>&gt;50% share holding</i>

\* Percentages (%) calculated as % gross personal annual income

### 2.3 Publication and review of the register

The interests declared by each PCRS Trustees, Executive, Committee member will be published on the PCRS website, within that individual's profile (accessible via the main menu item 'About Us' for each committee they serve on).

The complete declaration of interest (DOI) register (listing the interests, by band as relevant, by individuals plus other 'non personal interest', significant other role or interest of spouse, long term partner or children) for all PCRS Trustees, Executive, Committee members will be maintained by the PCRS operations team within the PCRS CRM (database) system. The register of interests for PCRS is reviewed annually by the PCRS Trustees and PCRS Executive such that they can identify and manage potential conflicts of interest overall for the organisation and by committee. Each PCRS Lead will be responsible for overseeing and managing conflicts of interest for their own areas.

The list of new interests accrued by individuals during the course of the current year will be circulated with the agenda for each committee / PCRS Executive / Trustee meeting.

### 2.4 Handling Enquiries

If an enquiry is received from any source about a potential Conflict of Interest, the enquirer will be asked to make the request in writing to the CE who will follow it up with the Chair of the Committee and the individual member concerned. A response will be given within a reasonable period.

## 3. Handling Potential Conflicts of Interest

### 3.1 General Principles

The PCRS needs the expertise and contribution from a wide range of primary care health professionals, who are likely to have varying levels of interest in the pharmaceutical industry and other organisations in the respiratory field. The following general principles shall apply in managing the potential conflicts that may arise:

- PCRS as a matter of policy adheres to nationally agreed guidelines wherever practical, particularly when making recommendations on individual products or product classes. In some circumstances, such as its work influencing policy through government organisations and guideline groups the PCRS may make recommendations on the use of specific products / classes of products: these circumstances are limited but must be paid particular attention when dealing with conflicts of interest.
- A potential conflict of interest shall be deemed to be
  - Any financial interest in a pharmaceutical/device company in band B or above
  - Any financial interest in any other healthcare organisations in band C or above
  - Total payment from the pharmaceutical companies in band C or above
  - Any trusteeship or directorship in any healthcare related organisation
  - Any other 'non personal interest', significant other role or interest of spouse, long term partner or children identified by the trustees from the register of interests and deemed to be a significant potential conflict

### **3.2 Meetings**

Appendix 1 summarises the types of interest and how each should be handled at meetings.

Declaration of interests shall be the first agenda item at any 'committee' meeting. Individuals will be asked to declare any interest they have relevant to any particular agenda item in accordance with the guidance in appendix 1. If individuals are not sure whether an interest should be declared they should err on the side of caution.

If individuals fail to declare an interest that is known to the Chair of the Committee (or any other member of the committee), the Chair or member should declare the interest.

In the event of the 'committee' having to decide upon a question in which a Trustee or member has an interest, all decisions will be made by vote. A quorum must be present for the discussion and decision: interested parties will not be included when deciding whether the meeting is quorate. In the event of a committee or working party meeting not being quorate, the matter will be referred to the PCRS Executive. In the event of a PCRS Executive meeting not being quorate, the matter will be referred to PCRS Trustees.

All decisions in which a potential conflict of interest is identified will be recorded by the organisation and reported in the minutes of the meeting. The report will record:

- The nature and extent of the potential conflict
- An outline of the discussion
- The actions taken to manage the potential conflict

### **3.3 Decisions outside meetings**

For matters arising outside formal 'committee' meetings, the Chief Executive, Chair of the Trustees, PCRS Executive Chair and anyone else with delegated authority to make decisions must ensure that relevant potential conflicts of interest are taken into consideration and handled according to the same principles set down for meetings.

### **3.4 Appointments to Committees**

Anyone with a band D (i.e. 20% and above) interest in any non NHS organisation that has a respiratory interest (e.g. such as ARNS, BLF, Education for Health, Virgin Healthcare) should be regarded as having a potential conflict of interest with respect to 'committee' eligibility and should be reviewed on a case by case basis by the Chair of the Committee with the Chair PCRS Executive / CE and a recommendation made to the PCRS Trustees. The decision and supporting rationale should be formally minuted.

The criteria for judging suitability / eligibility for individuals in band D should include:

- a) % and actual income related to band D interest
- b) % working time and actual time related to band D interest
- c) Employed or contracted work in band D interest
- d) Potential for conflict given the individual's interest and the work of the committee

### **3.5 Trustee Board**

Given the significance of the role of the Trustees in governing the Society, the following additional policies apply to members of the trustee board, with regards to interests of individual Trustees in the pharmaceutical industry:

- A majority (over 50%) of trustees must have no personal financial interest in the pharmaceutical industry
- The Chair of Trustees should have no personal financial interests in the pharmaceutical industry

- The Trustee Board should make a judgment as to whether any other interests (e.g. non-personal, interests of spouses) in the pharmaceutical industry, that the Chair / other trustees with no personal interests, may have, are of concern and/or put PCRS at undue risk with regards to external perceptions
- All trustees must declare any interests they have in the pharmaceutical industry prior to appointment to the board (i.e. complete the PCRS register of interests) and must agree to any pharmaceutical industry interests they have being disclosed by the companies concerned via Disclosure UK /the ABPI (See <https://www.abpi.org.uk/our-ethics/disclosure-uk/>)
- The above statements apply to current interests and to any interests in the previous calendar year in the pharmaceutical industry
- Any new interests of Trustees in the pharmaceutical industry must be declared at each meeting and the impact on the overall balance of the Trustee Board with respect to interests in the pharmaceutical industry must be reviewed. If at any point the above policy is no longer met, the Trustees must agree an action plan to resolve it within a reasonable time period.

### 3.6 Managing Contracts

Any Trustee, member of staff or Committee member with a potential conflict of interest must not be involved in managing or monitoring a contract in which he/she has an interest. Monitoring arrangements for such contracts will include provision for an independent challenge of invoices and termination of the contract if the relationship is unsatisfactory.

**Date last reviewed: November 2017**

**Approved by PCRS Trustees: November 2020**

**Date of next review: November 2022**

**Appendix 1: Declaration of interests during the meeting and implications**

<b>NATURE OF INTEREST</b>	<b>DESCRIPTION</b>	<b>INVOLVEMENT IN DISCUSSION</b>
<b>Personal Specific</b>	Member engaged in current and/or on-going work on the product or activity under consideration and has personally received payment for that work from the industry	May take part in the discussion as it relates to that product or activity at the discretion of the Chair but may not vote
<b>Lapsed personal specific interest</b>	As above but the interest is no longer current	Can take full part in proceedings
<b>Personal non-specific interest</b>	Current personal interest in the company concerned which does not relate specifically to the product or activity under discussion	May take part in the discussion as it relates to that product or activity at the discretion of the Chair but may not vote
<b>Non-personal specific</b>	Member is aware that the department for which they are responsible has at any time worked on the product or activity under discussion	Can take full part in proceedings <u>unless</u> they have personal knowledge of the product through their own work or the supervision of others in which case they may take part in the discussion at the discretion of the Chair but not vote
<b>Non-personal, non-specific</b>	Member is aware that the department for which they are responsible is currently receiving payment from the company which does not relate to the product under discussion	May take part in the proceedings unless the Chairman rules otherwise

A potential conflict of interest shall be deemed to be:

- i. Any financial interest in a pharmaceutical /device company in band B or above
- ii. Any financial interest in any other healthcare organisations in band C or above
- iii. Total payment from the pharmaceutical companies in band C or above
- iv. Any trusteeship or directorship in any healthcare related organisation
- v. Any other 'non personal interest', significant other role or interest of spouse, long term partner or children identified by the trustees from the register of interests and deemed to be a significant potential conflict

*Band A Any payment<sup>1</sup> less than 2% your gross annual income or shareholding <5%*

*Band B Any payment <sup>1</sup> between 2% and 10% of your gross annual income or 6-25%share holding*

*Band C Any payment<sup>1</sup> between 10% and 20% of your annual income or 26-50 %share holding*

*Band D Any payment <sup>1</sup> over 20% of your annual income or >50% shareholding*

<sup>1</sup>Personal and any income pooled/paid to practice/employer