Public business

Council register of interests

Purpose
To review the requirements for declarations by Council members in the register of interests, in the light of points which have been raised with the office.

Recommendations

The Council is recommended:

i. to note the concern which has been expressed about the declaration of direct pecuniary interests, as described in paras 2.1-2.4, and to make no change to the current policy or declaration template;

ii. to adjust the requirements relating to non-pecuniary interests (see paras 3.1-3.3) to cover unpaid office in, membership of, or involvement in organisations, associations or other bodies which are regulated in any way by the GPhC or whose activities could be considered relevant to the GPhC; and

iii. to note that the concern which has been expressed about close family interests (see para 4.1) is already adequately covered by section D of the current declaration form.

1.0 Background

1.1 The Council recognised from the outset that the management of potential conflicts of interest is an essential component of good governance. The Council designate agreed in January 2010 that Council members be required to register relevant interests and to declare such interests when appropriate so that those conducting business are aware of them. The Council designate also agreed a template for declarations in the Register of Interests. These decisions were ratified by the Council in April 2010. Council members’ interests have since been published on the GPhC website.
1.2 This paper seeks the Council's views on potential changes to the template for entries in the Register of Interests, based on comments received and experience to date. The general principle remains that, where there is any doubt as to relevance, an interest should be declared or further advice sought. This applies to both the register of interests and to the declaration of interests at a meeting, so that those conducting business are aware of them.

1.3 The current template for entries in the register of interests is at Appendix 1. Potential changes to the template are outlined below.

2.0 Pecuniary interests - direct

2.1 The Council has taken the view that, in the interests of transparency, all paid activity should be declared, whether or not it could be seen to influence Council decisions. It has been suggested that this should be restricted to any paid activity that could be considered relevant to the GPhC.

2.2 The current template requires members to declare ownership of any company, business or consultancy. The following adjustments have been suggested:

(i) Clarification should be provided on what would be considered to comprise a ‘business’ in relation to rented property. It is suggested that the simple receipt of income from rented property would not, of itself, constitute a business unless it became a trade. Examples of when letting property becomes a trade could include when the landlord:
   • is self-employed for the purposes of managing the property;
   • is actively trading in properties with a view to making a profit or surplus;
   • draws up business accounts relating to letting property; &/or
   • pays Corporation Tax rather than tax on income from property;

(ii) Any Council member owning a consultancy should provide information on the types of bodies or persons to whom consultancy services are provided. Similarly, Council members acting as consultants should give an indication in general terms of the bodies or persons commissioning this work.

2.3 Receipt of a pension or any other income which is not related to current activity should be noted if it derives from a source which could be considered relevant to the GPhC.

2.4 Whilst the current policy is considered by some to be intrusive and unnecessarily sweeping, restricting declarations to any paid activity that could be considered relevant to the GPhC would put the burden of determining relevance on the member with the interest. The current approach has the advantage that it enables those listening to the member’s contribution to make that assessment, from their own, possibly quite different perspective.
2.5 The recommendation on this issue is to note the concern, whilst making no change to the current policy or declaration template.

3.0 **Non-pecuniary interests and associations**

3.1 The Council, in considering non-pecuniary interests previously, adjusted the requirement relating to unpaid offices held in organisations to restrict this to organisations regulated in any way by the GPhC. The requirement relating to unpaid membership of professional bodies, clubs, public service and other organisations has not been restricted in the same way although, in practice, members have not been required to declare membership of bodies which are not relevant to the GPhC. An inconsistency has therefore arisen.

3.2 There are a number of organisations which are not regulated as such by the GPhC (although their members or office-holders might be) but would nevertheless be considered relevant to the GPhC. It would therefore seem appropriate to adjust the requirements relating to non-pecuniary interests to cover unpaid office in, membership of, or involvement in organisations, associations or other bodies which are regulated in any way by the GPhC or whose activities could be considered relevant to the GPhC. This would include voluntary work for, or advice to, other bodies.

3.3 It has also been suggested that it would be helpful to clarify that it is not necessary to declare positions that a member holds on behalf of the GPhC eg. appointment to a committee or task group. Whilst it is true that if a role is undertaken on the GPhC’s behalf, there should be no conflict of interest, nevertheless that member’s contribution is informed by their participation in the other domain, which can be a very relevant factor from the point of view of those listening to and needing to weigh the member’s contribution; managing interests effectively and transparently is not solely about managing conflicts of interest.

3.4 The recommendation on this point is to adjust the requirements relating to non-pecuniary interests to cover unpaid office in, membership of, or involvement in organisations, associations or other bodies which are regulated in any way by the GPhC or whose activities could be considered relevant to the GPhC. (This would include voluntary work for, or advice to, other bodies, and involvement at the request or nomination of the GPhC, which could be stated in the declaration.)

4.0 **Close family interests**

4.1 The question has been raised as to whether members should declare whether any close family member or person living in the same household as them is or has been a pharmacist, pharmacy technician or other health professional, as this could be seen to exert an influence.

4.2 The recommendation on this point is to note that the concern is already covered by section D of the current declaration form.
5.0 **Equality and diversity implications**

5.1 The one recommended change (in relation to non-pecuniary interests and associations) is not considered to have potential to cause adverse impact among or discriminate against different groups in the community.

6.0 **Communications implications**

6.1 The publication of a register of interests is a key component in ensuring that the GPhC is seen to be a transparent, open and accountable regulator.

7.0 **Resource implications**

7.1 The potential changes to the template could be implemented within existing resources.

8.0 **Risk implications**

8.1 The GPhC is already fulfilling its statutory duty to maintain a system for the declaration and registration of Council members' interests and publish entries in the register. It is appropriate for the Council to review the system from time to time to ensure that it remains appropriate for a body fulfilling public functions.

**Recommendations**

The Council is recommended:

i. to note the concern which has been expressed about the declaration of direct pecuniary interests, as described in paras 2.1-2.4, and to make no change to the current policy or declaration template;

ii. to adjust the requirements relating to non-pecuniary interests (see paras 3.1-3.3 above) to cover unpaid office in, membership of, or involvement in organisations, associations or other bodies which are regulated in any way by the GPhC or whose activities could be considered relevant to the GPhC; and

iii. to note that the concern which has been expressed about close family interests (see para 4.1) is already adequately covered by section D of the current declaration form.

*Christine Gray, Head of Governance, General Pharmaceutical Council*

*christine.gray@pharmacyregulation.org, tel 020 3365 3503*

*Duncan Rudkin, Chief Executive & Registrar*
Appendix 1

Declaration of Interests

You should declare any interests, financial or otherwise, that you, your family or friends have that could influence, or be seen to influence, decisions that you may take on behalf of the GPhC. If you are in any doubt as to whether or not something represents an interest, you should declare it.

You should also declare any activity for which you are paid whether or not the activity relates to the GPhC.

Please enter any interests that you need to declare in the appropriate boxes below. Please continue on a separate sheet if necessary.

Name:
Date:

A. Pecuniary interests – direct

| A. Pecuniary interests – direct |

This should include but is not restricted to:

- Any activity for which you are paid, whether or not the activity relates to matters concerning the GPhC, such as:
  - full time or part-time employment of any kind, including paid directorships
  - paid offices held
  - self-employment, such as freelance, contract or consultancy work
  - sponsorship, awards, bursaries, research grants etc.

- Ownership of any company, business or consultancy

- Direct beneficial interests or shareholdings in companies or other bodies regulated in any way by the GPhC (on your own behalf or on behalf of a spouse or infant children).
B. Pecuniary interests – indirect and relating closely to GPhC activity

Please list all indirect pecuniary interests arising from connections with bodies which have a direct financial interest in matters concerning the GPhC or from being a business partner of, or being employed by, a person with such an interest.

C. Non-pecuniary interests and associations

This includes interests arising from office-holding in and membership of professional bodies, clubs, public service and other organisations, such as:

- unpaid offices held in organisations regulated in any way by the GPhC
- unpaid membership of organisations listed above.

D. Close family interests

Please list all financial and non-financial interests of close family members and persons living in the same household as you that could be thought of as relevant to GPhC activity. Close family members include personal partners, parents, children (adult and minor), brothers, sisters and the personal partners of any of these.