

# Conflicts of interest Health Bill amendments agreed

---

28 February, 2012 -- The Press Association

---

Cross-party pressure in the House of Lords on strengthening clinical commissioning group governance will be reflected in further amendments to the Health Bill.

Labour spearheaded a move to introduce tighter controls on clinical commissioning groups to prevent potential conflicts of interest.

And Liberal Democrat backbenchers joined the Opposition in demanding a register of interests to avoid any future problems arising when CCGs take charge of commissioning.

Nick Clegg backed further changes to the health reforms as he attempted to head off Liberal Democrat anger over the shake-up.

In a joint letter with senior party member Baroness Williams, the deputy prime minister endorsed amendments designed to limit competition in the health service.

Those key amendments are unlikely to be reached until later this week or early next week during the Health and Social Care Bill's tortuous report stage in the Lords.

Labour spokesman Lord Hunt of Kings Heath said the government was proposing insufficient safeguards to prevent conflicts of interest among clinical commissioning groups, which would have a "huge amount of money" at their disposal to commission services.

"I would have thought that the public interest demands that the principles of good corporate governance should apply as much to these groups as any other public body."

He said they would be handed billions of pounds, "a proportion of which they can spend on primary care services, sometimes to be provided in the surgeries of those GPs who are members of the clinical commissioning group, or perhaps provided by companies in which GPs within the group may have a financial interest".

Lord Hunt warned that this posed an obvious conflict of interest and called for a register of interests and a ban on any member of a clinical commissioning group taking part in discussions with any business in which they had an interest.

"It is the weakest corporate governance of any public body in this country," he said. "This is going to explode in the government's face unless they strengthen the corporate governance around clinical commissioning groups."

Lord Hunt said "robust safeguards" were needed to prevent clinical commissioning groups "heading for trouble" over decisions which could be to the financial advantage of GPs who were members of them.

His party's amendment also called for sanctions to be imposed on any group member found to have acted in breach of a code of conduct or in breach of the rules on financial interests.

Liberal Democrat Baroness Barker said potential conflicts of interest were extremely difficult to legislate for.

But she insisted it was extremely important that the commissioning groups should "uphold the highest standards" and said a register of interests would help achieve "transparency and accountability".

Health minister Earl Howe agreed to accept amendments on registers of interest put forward by Lady Barker, but he rejected Lord Hunt's proposed sanctions regime.

"The government have acknowledged the concerns on these issues around conflict of interest," he said. "We have listened to these concerns and we are willing to amend the bill accordingly."

He said there were already "inherent safeguards" in the legislation and said he wanted to allow "best practice" to evolve in clinical commissioning groups rather than set it down in the bill.

Lord Hunt pressed his amendment to a division, but was defeated by 259 votes to 186.