



Governance Framework and Principles

Purpose

Community Pharmacy England and Local Pharmaceutical Committees champion Community Pharmacy across England – representing Community Pharmacy owners at national and local level, and giving them the support they need, negotiating the best deal with the Government and NHS, and influencing positive change because everyone in society needs a thriving Community Pharmacy sector.

Leadership

1. The Community Pharmacy England and LPC Committees provide effective leadership to their organisation. Each Committee collectively represents the interests of Pharmacy owners and provides oversight of organisational activity to generate value for the sector and promote the long-term success of Community Pharmacy in England.
2. Each Committee determines its organisation's strategy (including for negotiation) and satisfies itself that this is aligned with its purpose and organisational culture and is consistent with the overall governance framework, its constitution and the long-term interest of Community Pharmacy. All Committee members must act with integrity, lead by example and promote the desired culture.
3. The Committee agrees its organisational objectives to support delivery of the strategy and ensures that the organisation makes best use of the resources available to deliver these, measuring performance and progress against them. The Committee ensures that there are effective arrangements in place to manage risks to the delivery of the organisation's purpose, strategy and objectives.
4. The Committee ensures effective engagement with, and encourages participation from, a wide range of Pharmacy owners and other stakeholders to ensure that the organisation can best represent the interests of Community Pharmacy.
5. The Committee ensures that the organisation has the policies and practices in place that are consistent with the organisation's values as well as statutory requirements. Staff should be able to raise any matters of concern.

Division of Responsibilities

6. The Chair steers the Committee, promoting a culture of openness and debate. The Chair facilitates constructive Committee relations with each other and the Executive, encouraging the effective contribution of all Committee members. The Chair, working with the CEO/Chief Officer and executive leadership team (if any), ensures that Committee members receive accurate, timely and clear information and that the Committee has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.
7. The Committee is representative of the sector or area. All members participate equally in the Committee's decision-making, with decisions reached by consensus where possible and the Committee collectively owning all decisions taken. The Committee must be quorate (simple majority) to enable valid decisions, such as votes, to be made.
8. There is a clear division of responsibilities between the Committee and the Executive leadership of the organisation (and any other staff), and separation between governance and advisory roles.
9. Committee members must have sufficient time to meet their committee (and any sub-group) responsibilities. They provide constructive challenge, strategic guidance, share knowledge and experience, and hold the Executive to account for delivery of agreed priorities.

People: Composition, Succession, Evaluation, Compensation and Sanction

10. All appointments to the Committee (whether elected or appointed members) and all appointments to any sub-groups are subject to a transparent procedure based on objective criteria. The Committee aims to promote diversity and inclusion and reduce obstacles to participation within this context.
11. Members are usually appointed (elected or nominated) to the Committee for an initial term of up to four years. If re-appointed (elected/nominated) they may serve for a total of up to 12 years¹ (usually two further terms). Any external independent Chair serves for an initial term of usually three or four years (as determined by the Committee) and may be reappointed for one further term. The Committee determines arrangements and requirements for the appointment of members to sub-committees and other groups, including their tenures.
12. Members of the Committee and any sub-committees or working groups should together have the combination of skills, experience, and knowledge to best carry out their role to support Community Pharmacy.

13. The Committee regularly reviews its composition as well as its performance to understand and address any barriers to effectiveness and participation and to make best use of members' skills, experience and knowledge. It promotes the future effectiveness of the Committee by planning for succession and smooth transition, both through encouraging the sharing and development of existing members' skills and knowledge and fostering a community of prospective candidates.

The Committee annually reviews and agrees rates and terms for recompensing Committee members (including LPC Committee Officers) for costs incurred in carrying out Committee and subcommittee activity. The Committee determines the remuneration of its external independent chair (if any) on appointment and reviews annually.

14. The Committee ensures arrangements are in place for the annual performance review of the Chief Executive/Chief Officer. The Committee annually reviews and agrees the remuneration of the Chief Executive/Chief Officer, taking account of organisational and individual performance and wider circumstances. It also ensures effective succession planning for the Chief Executive/Chief Officer and any Executive leadership team members, and that the Chief Executive/Chief Officer has appropriate arrangements in place for the appointment, management and remuneration of any other staff.

15. Committee members must commit to, and comply with, the Code of Conduct at all times. Any instances or allegations of Committee members not adhering to the Code will be dealt with in accordance with the arrangements detailed in the Code.

Audit, Risk and Internal Control

16. The Committee satisfies itself on the integrity of the organisation's systems, processes, policies and information, with advice as necessary. This includes the external audit or assurance of financial information at least annually.

17. The Committee provides stewardship of the organisation's resources, ensuring that all funding received is used only for its agreed purpose. It agrees and publishes an annual report providing a fair and balanced assessment of its performance and use of these funds over the previous year, and its financial position.

18. The Committee ensures that there are effective arrangements in place to identify, assess and manage risk, and regularly reviews the organisation's risk tolerance to ensure it is best placed to achieve its long-term strategic objectives.

19. The Committee appoints a nominated Governance Lead, who will attend the leadership executive meetings and chair any specific governance working groups that may be required to complete key governance tasks.

20. Leadership Executive meetings will include designated agenda items for Finance and Governance matters.