**RPS CONSTITUTION & GOVERNANCE REVIEW – INVITATION TO TENDER**

**BACKGROUND**

The Royal Pharmaceutical Society (RPS) is governed by a [**framework**](https://www.rpharms.com/about-us/who-we-are/how-we-are-run) comprising its [**Royal Charter**](https://www.rpharms.com/Portals/0/RPS%20document%20library/Open%20access/Governance%20documents/text-of-the-2004-supplemental-charter-as-amended-27.09.10.pdf?ver=2016-11-08-094856-680) and underpinning [**Regulations**](https://www.rpharms.com/Portals/0/NEW%20REGS%20amends%20following%20decisions%20at%20Nov%202022%20Assembly.pdf). The Society came in to existence in 1841, was incorporated by Royal Charter in 1843, and became known as the Royal Pharmaceutical Society of Great Britain (RPSGB) in 1988.

The current Charter was granted in 2004 and was amended in 2010 to remove the regulatory powers, which transferred to the General Pharmaceutical Council (“GPhC”) at that date. At the same time the RPS adopted its current name.

In 2007 the first National Pharmacy Boards of England, Scotland and Wales were formed from members of the Society elected to represent various sectors of practice and to reflect the devolution of health across the three countries of Great Britain that had taken effect since political devolution in 1999. It was, however, not until 2010 and the creation of the current RPS that the role of the boards in policy development was incorporated into the Regulations and since which they have become the ‘backbone’ of the RPS and its professional leadership role.

At the time of the removal of regulatory powers agreement was given by the RPS’s governing council to set up the Publishing Directorate, known as Pharmaceutical Press (PhP), as a limited liability company. The rationale behind this decision was that the revenue from Publishing now almost equalled that of the Professional Leadership activities and such a move would allow PhP to take a more commercial approach and be more competitive, as a growing amount of its revenue was derived from international healthcare markets (not just UK pharmacy), its risk appetite needed to be greater than that of the RPS, and it reduced the risk to the RPS. The company was registered with Companies House, but the process was subsequently ceased, due to financial considerations and concerns about the oversight the RPS would retain. Pharmaceutical Press Ltd continues to exist but as a dormant non-trading company whose shares are wholly owned and controlled by the Society.

Since 2010 two reviews have considered the organisation’s governance. In 2015-2016 an effectiveness review was undertaken as a matter of good hygiene. This was commissioned by Assembly and undertaken in confidence by a third party (ThiNkNow). This focussed on the views of senior staff, Board and Assembly members, asking:

* Are the RPS governance arrangements as cost effective as they could be?
* Does the RPS have available to it the full range of skills, competencies and behaviours required to run a top-level board?
* Does the RPS governance system focus its time and effort on the right things?

Very little of the recommendations were adopted due to the requirement to undertake Charter change, which was at the time not felt to be an organisational priority given the significant resource it would involve.

Subsequently, in 2017-2019 an internally led review was undertaken to look at gaps identified in the governance documentation and findings from the 2015/2016 review that had been identified to be taken forward. Matters relating to policy and governance raised subsequently by Assembly members and the wider membership (such as terms of office) were considered.

The RPS has therefore, with some modest modifications, worked with its current corporate and governance structures since 2010 without a truly independent external review. The organisation is finding that this structure and governance is not constituted in a way that supports the operation of an agile organisation that is becoming increasingly technological and wishes to be more transparent in its operations and ambitious in its vision.

As would be expected, the organisation has also been evolving its strategy since de-merger. The first refresh of strategy took place in 2015/16 and concluded that a number of broad objectives should be pursued. This was followed by a much more detailed strategic review in 2020/2021 which led to the creation of the [**current five-year strategy**](https://www.rpharms.com/about-us/news/details/Our-new-strategy-2021-2026) and its seven goals.

During the development process of the current strategy it was recognised that any future significant change to RPS form and function would require Charter change and so therefore focussed upon more pressing and immediate objectives that might be achieved with the current structures and governance arrangements. Now, some two years on from the launch of the strategy, midway through its life, and following the Covid pandemic, that need for reform feels more necessary. The current strategy was developed at the start of the pandemic, and so naturally the environment in which we were operating, and our mindset were significantly different, given the scale of operational and technological changes the pandemic drove. Therefore, waiting for a further two or three years before commencing a more thorough piece of work is now untenable.

Alongside this, a recent independent review in to [**membership participation**](https://www.rpharms.com/about-us/news/details/we-commit-to-changes-following-review-of-member-participation) and communication commissioned by the RPS identified that the current governance structures created opacity and were likely contributory factors to member disengagement. This echoed a number of motions tabled at the [**RPS AGM**](https://www.rpharms.com/about-us/who-we-are/national-boards/assembly/agm) earlier in the year calling for greater transparency and different ways of working across a number of our governance structures.

Finally, the [**recent report of the co-chairs**](https://ehq-production-europe.s3.eu-west-1.amazonaws.com/26a89e045877fe8a45115d02cf316d5f4f177733/original/1675682653/4c93efbdfe709e3845ba36edead9f380_UK_Pharmacy_commission_report_FINAL.pdf?X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Credential=AKIA4KKNQAKICO37GBEP%2F20230213%2Feu-west-1%2Fs3%2Faws4_request&X-Amz-Date=20230213T130136Z&X-Amz-Expires=300&X-Amz-SignedHeaders=host&X-Amz-Signature=ba9e761537c7f309d0cead60d99f75fd0d0e307d88a4f54170a5f373645574e4) of the [**UK commission on pharmacy professional leadership**](https://www.rpharms.com/about-us/news/details/we-commit-to-changes-following-review-of-member-participation) has asked fundamental questions about the purpose of pharmacy professional leadership across UK and this undoubtedly has a bearing on how RPS constitutes itself in future.

Together, this suggests that now would be the time to undertake a robust, independent review of both the corporate and governance structures of the organisation.

**REQUEST**

The RPS intends to commission a full review of its constitution, by which we mean our corporate and supporting governance structures. We remain committed to our current [**mission and vision**](https://www.rpharms.com/about-us/who-we-are) and recently more clearly articulated our view on what our position is in a [**professional leadership**](https://www.rpharms.com/Portals/0/RPS%20document%20library/Open%20access/Professional%20Leadership/Our%20vision%20for%20the%20future%20of%20pharmacy%20professional%20leadership.pdf?ver=q0FI-LRAsvlsGSXj7T41eg%3d%3d) context. We want to create a more transparent organisation, with public interest at the forefront of what we do. We also want to be more agile to be better able to respond to external initiatives and to be more aligned with technology driven ways of working that call for immediacy in our actions.

Naturally, comparisons are being made with other leadership bodies, notably those within the medical profession, but also those that lead other science-based disciplines where members are not only clinicians. This reflects the breadth of pharmaceutical science and the practice of pharmacy as well as the future evolution of both. It also reflects the ambition with the current RPS strategy to grow both scope and reach.

This is leading to questions such as:

* Given that we want, in the future, to be able to provide a home for other professions and associated disciplines that want to work closely with us, how do we structure ourselves to create transparency, accessibility and a sense of belonging, respecting the independent professional identities of other professions?
* Given that we want to put public interest at the forefront of what we do, how do we make patient insight an integral part of our organisation?
* How do we ensure members retain a connection with, and ability to, influence their professional leadership body, including how we ensure we communicate opportunities to input and the results of decisions in a transparent and timely manner?
* Given that we are delivering assessment and credentialling for the profession, what structure best allows us to create an appropriate divide between this activity and other activities such as education delivery, as both a membership and commercial offering, and lobbying for future professional skills?
* Would charitable status be of benefit to the RPS or are there other better structures to deliver our purpose? What might charitable status mean for Publishing and other future commercial endeavours? What are the pros and cons of revisiting the limited liability question, especially as the revenue generated by publishing is now 75% of the RPS’s overall revenue?
* Finally, anticipating that the above questions may well dictate a different corporate structure, what governance structures are recommended to ensure national and professional voices are heard whilst also ensuring those with the most appropriate skills to govern the organisation are attracted to, and are supported to govern effectively?

**OUTCOMES**

We are seeking recommendations in the following areas:

* Proposed changes in our corporate structure with accompanying pros and cons for any changes suggested.
* For any proposed corporate structure, what governance structures are suitable, covering terms of reference/remits; the way decisions are reached, documented, and communicated; how we appoint/elect to ensure the right skill set, diversity and avoid conflicts of interest with potential competitor/partner organisations.
* How to approach enacting change to achieve our desired state, given our desire to move at pace, with likely timescales and consideration of how best to approach Privy Council to ensure the approval of any changes.
* The skill set we may need to help us create and implement the change plan and how to ensure good people management during any transition.
* The challenges we may face in implementing the proposed change and how these may be overcome.
* The financial implications of the change.

As RPS is an evidence-based organisation, recommendations should be supported by examples of where the proposed form and function have been successful and how success should be measured going forward.

**ANTICIPATED TIMELINE**

The invitation to tender is available from the week beginning 27th February 2023 and we would like to begin the review process no later than May 2023.

Responses should be sent to **CEO@rpharms.com** and be received by **18th March 2023**.