

## **UNIVERSITY'S POLICY ON CONFLICT OF INTEREST**

*Approved by Council on 15 July 2019.*

The following Policy on Conflict of Interest supersedes the policy approved by Council on 12 March 2018.

### **1. Statement of intent**

- 1.1. In a large and complex University where staff hold multiple roles and where external relationships are many and varied, conflicts of interest are bound to arise. In order to manage the associated risks to an acceptable level, all staff, students and others working in the University (including grant holders and emeritus researchers) are required to recognise and disclose activities that might give rise to actual or perceived conflicts of interest.
- 1.2. A conflict of interest can occur when your duties to the University compete with your personal interests or your duties to other people or organisations. Actual or perceived conflicts can arise from external activities that are undertaken in addition to your University role, personal relationships, or conflicting roles within the collegiate University. They can be financial, non-financial or both.
- 1.3. If staff and students manage their activities appropriately, they can usually proceed with these as normal whilst at the same time upholding obligations to the University, meeting regulatory and other external requirements and protecting the integrity and reputation of the University and its members.
- 1.4. By contrast, if they do not, such conflicts – or the perception of conflicts – may jeopardise the University's public standing and may cause serious damage to the reputation of the University and of the individuals concerned. This may also result in litigation or financial loss, and individuals may be subject to disciplinary procedures.
- 1.5. The aim of the Conflict of Interest Policy, and the associated processes and guidance, is to provide staff and students with the information required to be aware of the issues, to be able to recognise potential or real conflicts, and to manage them effectively if they occur.

### **2. Objectives**

- 2.1. The University's objectives are to ensure that:
  - i) any actual or perceived financial or non-financial conflicts of interest (arising from external activities, personal relationships or roles within the University) are identified and properly managed so that the activity can be carried out without risk to the integrity or the reputation of the University or its staff and students;
  - ii) governance of the University is conducted with close regard to the risks of financial and non-financial conflicts of interest;
  - iii) procedures are in place for conflicts of interest to be identified and managed in compliance with the relevant professional, legal, ethical and regulatory standards on conflicts of interest;
  - iv) activity is avoided in cases where a conflict of interest cannot be managed; and
  - v) all staff and students are aware of the importance of compliance with the Policy and that compliance with the Policy is monitored.

### 3. Scope

- 3.1. This Policy applies to all staff and students of the University, to all external members of Council and its committees, and all others working in the University (such as faculty members who hold grants but are not current members of staff of the University, retired members who are still conducting research, and teaching or research visitors). It also applies to the staff and directors of subsidiary companies of the University.
- 3.2. A reference in this Policy to staff or students includes any person within the scope of the Policy.

### 4. Responsibilities

- 4.1. **Every student, member of staff, external committee member and any other person working in the University** (as defined in section 3 above) is responsible for ensuring that they comply at all times with this Policy. Each individual is responsible for recognising situations in which they have a conflict of interest, or might reasonably be seen by others to have a conflict, to declare that conflict to the appropriate person and to take such further steps as may be appropriate as set out in more detail in section 6 below.
- 4.2. The duty to declare a possible conflict applies to the perception of the situation rather than the actual existence of a conflict. If the situation cannot reasonably be regarded as likely to give rise to a conflict of interest, then there is no duty to declare it. If there is any uncertainty as to whether there is a conflict, or if an individual is uncertain about the application of this Policy or how it might affect their activities, they should contact the appropriate person (as set out in section 6) or the Secretary of the Conflict of Interest Committee ([coisec@admin.ox.ac.uk](mailto:coisec@admin.ox.ac.uk)).
- 4.3. In addition to complying with this Policy, **researchers** need to be aware of and comply with conflict of interest requirements set by external funders or other bodies with whom agreements have been made. Further information is provided in Appendix A (2.3).
- 4.4. **The Registrar** is responsible for ensuring that this Policy is implemented and maintained and that appropriate explanatory guidance is provided.
- 4.5. **Heads of Division, Heads of Department** (including Faculty Board Chairs), and **Heads of University Services** (UAS and GLAM) are responsible for:
  - i) ensuring that staff within their divisions, departments, faculties or sections (as appropriate), students, and other associated persons are made aware of this Policy and associated explanatory guidance; and
  - ii) keeping records of disclosures and management plans and providing these to the Conflict of Interest Committee on request.
- 4.6. **The Boards of Directors** of majority and wholly owned subsidiary companies of the University are responsible for ensuring that this Policy, or an alternate Policy that is approved by Council's General Purposes Committee, is implemented and maintained within those companies, and that staff and other relevant persons are made aware of the Policy and associated explanatory guidance.
- 4.7. **The Conflict of Interest Committee** is responsible for developing and maintaining the Conflict of Interest Policy framework, reviewing reports on compliance, providing support and guidance, escalating risks and issues, and providing recommendations to the University.

## 5. Recognising conflicts of interest

- 5.1. A conflict of interest arises where the commitments and obligations owed by a member of staff or student to the University or to other bodies, for example a funding body, are likely to be compromised, or may appear to be compromised, by: a) personal gain, or gain to immediate family (or a person with whom the staff or student has a close personal relationship)<sup>1</sup>, whether financial or otherwise; or b) the commitments and obligations that person owes to another person or body.
- 5.2. There can be situations in which the appearance of conflict of interest is present even when no conflict actually exists. Thus it is important for all staff and students when evaluating a potential conflict of interest to consider how it might be perceived by others. Apparent or perceived conflicts of interest can be as damaging as actual conflicts of interest.
- 5.3. In order to recognise actual or perceived conflicts of interest, key interests need to be identified. Within the scope of this Policy, there are three main dimensions to be considered:

### Dimension 1: roles and relationships

Actual or potential conflicts generally arise from:

- roles or activities involving parties outside the University;
- roles held by staff and students outside the University;
- multiple roles held by staff and students inside the University;
- committee membership and roles involving decision-making in or on behalf of the University, departments, faculties or other units; and
- close personal relationships.

### Dimension 2: activities giving rise to potential conflicts

Actual or potential conflicts generally arise from:

- spinouts and other companies in which staff and students have an interest;
- intellectual property;
- procurement;
- complex commercial transactions and arrangements;
- conduct and funding of research;
- external activities and appointments;
- admissions; and
- recruitment.

### Dimension 3: financial and non-financial conflicts

Conflicts of interest may be financial, non-financial or both.

#### *Financial conflicts of interest*

- 5.4. A financial conflict of interest, for the purposes of this Policy, is one where there is or appears to be opportunity for personal financial gain, financial gain to close relatives or close friends, or where it might be reasonable for another party to take the view that financial benefits might affect that person's actions. A conflict will arise if the financial interest might provide, or be reasonably seen by others to provide, an *incentive* to the individual which affects their actions and where they have the *opportunity* to affect a University decision or other activity (because for example they are the decision-maker or the principal investigator on a research project).
- 5.5. 'Financial gain' or 'financial interest' means anything that has monetary value, including but not limited to:
  - payments;
  - benefits in kind;

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<sup>1</sup> For the purpose of this policy, 'immediate family' is defined as follows: spouse or civil partner, son, daughter. However, the 'close personal relationship' giving rise to an interest could extend to the following (this is not intended to be an exhaustive list): unmarried partner, parent, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, the (unrelated) child of an unmarried partner, as well as half and step members of family.

- hospitality and/or gifts;
  - forgiveness of debt;
  - discounts, bonuses or other favourable contract terms;
  - equity interests (e.g. stocks, stock options or other ownership interests); and/or
  - intellectual property rights (e.g. patents, copyrights and royalties from such rights).
- 5.6. The level of financial interest is not the determining factor as to whether a conflict should be disclosed. What might be 'not material' or 'not significant' for one person might be very significant for another. Good practice in many situations will mean the declaration of 'any' financial interest, however small.
- 5.7. The identification and management of conflicts of interest has become even more important in light of the significantly-increased level of financial and reputational risk arising from complex, high-risk, commercial transactions and arrangements.
- For examples of conflicts involving financial interests, see the accompanying guidance online (which includes specific guidance on spinouts and procurement decisions).

#### *Non-financial conflicts of interest*

- 5.8. Non-financial interests can also come into conflict, or be perceived to come into conflict, with a member of staff or student's duties, obligations or commitments to the University. Such non-financial interests may include any benefit or advantage, including, but not limited to, direct or indirect enhancement of an individual's career or education, or gain to immediate family (or a person with whom the person has a close personal relationship).
- 5.9. Ensuring that these conflicts of interest do not result in decisions or actions that can be called into question is particularly important for business propriety, supporting the University's charitable status, and conducting research that conforms to the expected ethical and academic standards.
- 5.10. In order to identify potential conflicts of interest, students and staff should consider who they are acting for, and whether there are any competing motivations or interests that could influence them, or be seen to influence them.
- For examples of conflicts involving non-financial interests, see the accompanying guidance online (which includes specific guidance for UG Admissions, Graduate Admissions and Personnel Services).

## **6. Declaring conflicts of interest**

- 6.1. It is the duty of every member of staff or student to disclose any conflict of interest or any circumstances that might reasonably give rise to *the perception* of conflict of interest.
- 6.2. The general rule, with the exception of committee business (see paragraph 6.6), is that disclosure should be made *at the time the conflict first arises, or it is recognised that a conflict might be perceived*, in writing to the Head of Department (or equivalent). If the Head of Department (or equivalent) has an interest in the matter to be discussed, the declaration shall be made to the person at the next higher level of authority. In most cases this will be to the Head of Division. For University Senior Officers, the line of approval is noted in Council's Standing Orders.
- 6.3. Additional steps are required in certain circumstances. These are outlined in Appendix A (and relate to research students receiving support from a company in which their supervisor has a financial interest or where results or IP are related to company activity; biomedical/clinical research, as well as any other research carried out by staff or students who have financial interests in a company working in the same area; involvement in spinouts and other external ventures; and the sale, supply or purchase of goods/services).

- 6.4. **Undergraduate students** should discuss the relevant issues with their Tutor or Senior Tutor, who, where appropriate, will consult with the Head of Department before an approach for dealing with the conflict is agreed.
- 6.5. **Postgraduate students** should have this discussion with their supervisor. Where the conflict of interest arises between the interests of the supervisor and the student, the student should discuss the matter with the Senior Tutor or Tutor for Graduates in their college, or the Director of Graduate Studies in their department.
- 6.6. **Committee chairs and members:** in addition to individuals acting in accordance with the Policy, governance of the University must also be conducted with close regard to the risks of financial and non-financial conflicts of interest. At their first meeting of the academic year, each committee within the University should have a standing item on their agenda about conflict of interest. This item should cover what a conflict of interest is and how the members of the committee should declare such an interest if and when such a circumstance arises. It is also recommended that committees adopt the practice of including a similar statement to the following in each agenda:
- ‘Members of [Name] Committee will be asked to declare any interest that could give rise to conflict in relation to any item on the agenda at the beginning of the item in question. All interests so disclosed will be recorded in the minutes of the Committee. If the chair of the meeting deems it appropriate, the member shall absent himself or herself from all or part of the Committee’s discussion of the matter.’
- 6.7. It is recommended that divisions and departments also adopt a version of the paragraph above for all relevant meetings.
- 6.8. Many situations will require nothing more than a declaration and a brief written record of that declaration, which must be held in the department’s records and which should be provided to the Conflict of Interest Committee on request.

## 7. Managing conflicts of interest

- 7.1. Some instances will require more than just declaration, and will need to be dealt with by agreeing how the conflict can be actively managed. One or more of the following strategies may be appropriate to manage the conflict of interest:
- not taking part in discussions of certain matters;
  - not taking part in decisions in relation to certain matters;
  - referring to others certain matters for decision;
  - resolving not to act as a particular person’s supervisor;
  - divesting or placing in trust certain financial interests;
  - publishing a notice of interest;
  - standing aside from any involvement in a particular project; and/or
  - declaring an interest to a sponsor or third party.
- 7.2. The approach adopted should be documented and copies provided to the relevant parties. **A copy of the final plan must be held in the department’s records**, reviewed and updated as necessary, and provided to the Conflict of Interest Committee on request.
- 7.3. If the above strategies are not sufficient to manage a particular conflict, it should be avoided. Further guidance can be sought at any time from the Conflict of Interest Committee.
- 7.4. Examples of situations that are frequently encountered and which may give rise to conflicts requiring special action are set out in the accompanying guidance.
- 7.5. There are, however, some particular instances where the general procedure is varied and further specific steps are required such that approval is obtained not only from the Head of

Department (or equivalent) but from a designated University official, as set out in the table at Appendix A.

- 7.6. It is the responsibility of those affected to comply with the management approach that has been agreed.
- 7.7. Any unresolved matter shall be referred to the Conflict of Interest Committee for advice. In cases of particular difficulty, the Conflict of Interest Committee may refer its recommendations to the General Purposes Committee of Council (GPC) for advice or resolution.

## **8. Annual declaration of conflicts of interest**

- 8.1. In addition to declaring any conflict or potential conflict in accordance with the procedure above, the following postholders are required to submit an annual declaration of interests to the Conflict of Interest Committee:
  - the Vice-Chancellor;
  - the Pro-Vice-Chancellors with portfolios;
  - the Registrar;
  - the Proctors and Assessor;
  - the Heads of Divisions;
  - Chairs of such other bodies which govern the University's affairs, and such senior officers as shall be specified by Council in consultation with the Conflict of Interest Committee from time to time;
  - directors of subsidiary companies of the University; and
  - members and officers regularly in attendance at:
    - Council;
    - Audit and Scrutiny Committee;
    - the Conflict of Interest Committee;
    - the Planning and Resource Allocation Committee (PRAC);
    - the Building and Estates Subcommittee of PRAC;
    - the Strategic Capital Steering Group;
    - Finance Committee;
    - Investment Committee;
    - the Committee to Review Donations;
    - the Nominations Committee;
    - the Trusts Management Board;
    - the Information Technology Committee;
    - the Divisional Boards; and
    - other committees, working groups and boards as appropriate, as determined by the Conflict of Interest Committee.
- 8.2. Persons with grounds to inspect declarations of conflict of interest shall be allowed access at the discretion of the Chair of the Conflict of Interest Committee.

## **9. Review of the Conflict of Interest Policy**

- 9.1. This Policy shall be the subject of regular review by the Conflict of Interest Committee, GPC and, as necessary, other relevant bodies. Such reviews will take place in the light of guidance on best practice issued by outside bodies and are to take place not less than once every three years.

## APPENDIX A

### Procedure: additional steps required in specific circumstances as a variance to the general rule

#### General Rule

1. As explained in paragraph 6.2 the general rule is that disclosure should be made *at the time the conflict first arises, or it is recognised that a conflict might be perceived*, in writing to the Head of Department (or equivalent). If the Head of Department (or equivalent) has an interest in the matter to be discussed, the disclosure shall be made to the person at the next higher level of authority. In most cases this will be to the Head of Division. For University Senior Officers, the line of approval is to the Vice-Chancellor or the Registrar, as appropriate. However, in some circumstances, the procedure is slightly different. These are set out below and summarised in the table at the end of this Appendix.

#### Research

2. Where any researcher has a conflict of interest, they must follow the procedures described in Section 6 of the Policy. A researcher must also comply with the following:

2.1 *Grant application submissions*: to assist the assessment of situations which could lead to a real or perceived conflict of interest at the stage of applying for a research grant, or negotiating a contract, the University requires researchers to clarify whether they have any personal interest (shareholding, consultancy, directorship, etc.) in relation to the proposed sponsor. This is done on the X5 costing when submitting applications for external research funding to Research Services;

2.2 *Ethics*: researchers must also comply with specific declaration requirements as laid down by the appropriate Ethics Committee. Researchers should contact the Secretary of the relevant Ethics Committee if they have questions about those requirements  
<https://researchsupport.admin.ox.ac.uk/governance/ethics/contacts>;

2.3 *Requirements of funding bodies*: some funding agencies set requirements relating to conflict of interest. They may, for example, require direct notification of certain interests to them; reserve the right to review the proposed plan for managing the conflict of interest; and/or prohibit grant holders from undertaking certain activities. Researchers need to be aware of and comply with those specific requirements. Researchers should contact Research Services if they wish to seek advice on any aspect of funding terms and conditions;

2.4 *Financial interest in a company that is involved in an area related to an individual's academic work, in particular when this involves biomedical or clinical research projects*: Staff or students who have a financial interest in a company that may reasonably appear to be affected by the results of a proposed research project must disclose that interest and put to the Head of Department for review and approval a conflict of interest plan/approach designed to protect the integrity of the research and the reputation of the academic(s), their research group(s) and the University. This is especially important for biomedical and clinical research, which attracts particular attention given the often very significant financial consequences of research outcomes and the potential harm to members of the public engaged in clinical trials or under treatment. For biomedical and clinical research, the Head of Division should also review and approve the conflict of interest management plan/approach. The circumstances determine whether there is a conflict of interest, not the outcome<sup>2</sup>;

2.5 *Student financial support*: to preserve the integrity of the research, if a student is receiving support from a company in which his or her supervisor has a financial interest - or where the outcomes of the research are related to the activities of such a company - then the student and their supervisor must disclose the conflict to both the Head of Department and the Chair of the Conflict of Interest Committee for review and approval of a conflict of interest plan/approach.

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<sup>2</sup> Kassirer, J.P., and Angel, M., editorial, *N. Eng. J. Med.* 1993; 329:570–1.

*External companies (including spinouts, startups, and licensees of University IP)*

3. Staff or students may have a financial interest or other personal interest in a spinout, startup or other organisation with a connection to their University responsibilities, academic environment and/or work, or in an organisation to which the University has licensed or is seeking to license University IP<sup>3</sup>. Staff may have personal IP or expertise with which they are intending to create a startup company with a connection to their academic environment and work. In such cases:

3.1 they should normally play no executive role in any decisions made between the University or its subsidiaries and such external companies. If it is believed that there are exceptional circumstances to argue for such involvement, prior permission must be sought from the Head of Department and then from the Pro-Vice-Chancellor (Research). The proposed conflict of interest plan/approach to be put to the Head of Department and then the Pro-Vice-Chancellor (Research) must aim to protect the reputation of the individual(s), their research group(s) and the University and ensure compliance with company law; and

3.2 if they wish to undertake a consultancy<sup>4</sup> or other appointment for that company, they must seek prior permission from the Head of Department. The proposed conflict of interest plan/approach to be put to the Head of Department must aim to protect the reputation of the individual(s), their research group(s) and the University and ensure compliance with company law.

3.3 all those involved must also declare and produce a management plan for conflicts of interest, to be reviewed by Research Services and approved by the Head of Department before the completion of the initial investment round.

4. Staff or students (other than researchers who contributed to relevant intellectual property and are therefore subject to Council Regulations 7 of 2002<sup>5</sup> for the Administration of the University's Intellectual Property Policy) may wish to buy or subscribe for shares or otherwise acquire a financial interest or other personal interest in a spinout, startup or other organisation. If this entity has a connection to their University responsibilities, academic environment and/or work; for example, is sponsoring research in the same department or area of interest, or has licensed or is seeking to license University IP<sup>6</sup>, then, whether or not those shares are listed on a recognized stock exchange:

4.1 They must seek permission in advance from the Head of Department, who in turn should seek advice from the Director of Finance, where required.

4.2 They must prepare a conflict of interest management plan, to be agreed with their Head of Department before the purchase or acquisition. The proposed conflict of interest plan/approach to be put to the Head of Department must aim to protect the reputation of the individual(s), their co-workers and the University and safeguard their involvement in, or influence over, decision-making in relation to the company in which they wish to hold a financial interest. Individuals should also be alert to the risks of actual or perceived insider dealing<sup>7</sup>.

*Sale, supply or purchase of goods or services*

5. Staff must ensure the probity of all financial transactions. The sale or supply of goods by the University or the purchase of goods or services by the University must be carried out in accordance with the University's Financial Regulations<sup>8</sup>. Staff should not normally be involved in supply or purchase decisions in relation to any external organisation in which they or any members of their family or any person with whom they have a close personal relationship have a financial interest or in any way have the

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<sup>3</sup> Statute XVI (Part B: Intellectual Property) is available at: <http://www.admin.ox.ac.uk/statutes/790-121.shtml>

<sup>4</sup> The University's Consulting Policy and Procedures are available at: [http://www.admin.ox.ac.uk/media/global/wwwadminoxacuk/local/sites/personnel/documents/informationforstaff/Consulting\\_Policy\\_and\\_Procedures.pdf](http://www.admin.ox.ac.uk/media/global/wwwadminoxacuk/local/sites/personnel/documents/informationforstaff/Consulting_Policy_and_Procedures.pdf)

<sup>5</sup> Available at: [www.admin.ox.ac.uk/statutes/regulations/182-052.shtml](http://www.admin.ox.ac.uk/statutes/regulations/182-052.shtml)

<sup>6</sup> Statute XVI (Part B: Intellectual Property) is available at: <http://www.admin.ox.ac.uk/statutes/790-121.shtml>

<sup>7</sup> See the FCA's handbook for further information: <https://www.handbook.fca.org.uk/handbook/MAR/1/3.html>

<sup>8</sup> Available at: <http://www.admin.ox.ac.uk/finance/financialregulations/>



capacity for personal gain. If there are exceptional circumstances that prima facie require such involvement, the following process should be followed:

5.1 the person should disclose, in writing to their Head of Department, the nature of the transaction, the potential conflict and the method proposed to manage the conflict;

5.2 they and their Head of Department must formulate a proposed plan/approach that protects the University and ensures compliance with the law and the integrity of the transaction(s) and the individuals involved; and

5.3 the Head of Department must then seek approval of that plan from the Director of Finance.

**Summary of the procedures for managing situations in particular circumstances:**

Issue	First-line approval	Further approval	Further detail
<i>Research Student support</i>			
If a student were to receive support from a company in which the proposed academic supervisor has a financial interest or where the results or IP from the research project are related to the activities of a company in which the proposed supervisor has a financial interest.	Head of Department	Chair, Conflict of Interest Committee	Para. 2, Appendix A
<i>Financial interests relating to an area of research</i>			
Staff or students who have a financial interest in a company that may reasonably appear to be affected by the results of their research (examples include, but are not limited to biomedical, clinical, energy, environmental, food and nutrition research).	Head of Department	Head of Division, for biomedical or clinical research	Para. 2, Appendix A
<i>External companies, including spinouts, startups, and licensees of University IP</i>			
Staff or students who have a financial interest or other personal interest in an external venture or in an organisation to which the University has licensed or is seeking to license University IP, wishing to:			Para. 3, Appendix A
(i) be involved in the negotiation of any contract between the University or its subsidiaries and such external organisations;	(i) Head of Department	(i) Pro-Vice-Chancellor (Research)	
(ii) undertake a consultancy or other appointment for that external organisation.	(ii) Head of Department	(ii) If additional consultation is required, Head of Department, RS and/or OUI have discretionary power to consult PVC (R)	
Staff or students involved in founding an external venture.	Management plan to be produced, then reviewed by Research Services.	Head of Department to approve the management plan	Para. 3, Appendix A

<p>Staff wishing to buy or subscribe for shares in an entity to which they have a connection through their University responsibilities, academic environment and/or work, whether or not those shares are listed on a recognized stock exchange.</p>	<p>Head of Department</p>	<p>Director of Finance to advise HoD, where required</p>	<p>Para. 4, Appendix A</p>
<p><i>Sale, supply or purchase of goods/services</i></p>			
<p>Staff seeking approval to be involved in University supply or purchase decisions in relation to any external organisation in which they have a financial interest or in any way have the capacity for personal gain.</p>	<p>Head of Department</p>	<p>Director of Finance</p>	<p>Para. 5, Appendix A</p>