

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

*Approved by Council on 13 July 2009. Amendments approved on 14 March 2011 and 25 June 2012.*

### **Introduction**

The University has adopted a policy to address conflicts of interest so as to ensure that its activities, and those of its staff and students, are and are seen to be conducted to the highest standards of ethics and integrity.

This document sets out the following:

- A. Policy Statement
- B. Scope
- C. Recognising Conflict of Interest
- D. Procedure
- E. The role and remit of the Conflict of Interest Committee

Illustrative examples and further procedural guidance are set out in the Appendices.

### **A. Policy Statement**

1. Oxford University is a major research university with global reach and influence. It encourages members of its staff to engage in a wide variety of external activities, such as serving on government, business and community boards, providing expert advice, media commentary, professional practice, schools outreach, international projects and collaborations with the commercial world, including via consultancy, research and development, intellectual property (IP) licensing and involvement in 'spinout' companies.
2. The University considers that such activities are in the public interest and are also of benefit to the University and the individuals concerned.
3. On occasion, however, they may give rise to conflicts of interest, whether potential or actual, perceived or alleged.
4. All University staff and students are required to recognise and disclose activities that might give rise to conflicts of interest or the perception of conflicts and to ensure that such conflicts are seen to be properly managed or avoided.
5. If properly managed, activities can usually proceed as normal whilst at the same time upholding the person's obligations to the University, meeting regulatory and other external requirements and protecting the integrity and reputation of the University and its members. By contrast, conflicts which are not managed effectively may jeopardise the University's public standing and may cause serious damage to the reputation of the University and of the individuals concerned.
6. It is therefore the University's policy to encourage and foster external activities whilst ensuring that when conflicts or perceived conflicts of interest arise they are acknowledged and disclosed, and in relevant cases, properly managed.

## **B. Scope**

7. 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, for example retired members who are still conducting research. It also applies to the staff and directors of subsidiary companies of the University. A reference in this Policy to staff or students includes any person within the scope of the Policy.

8. It is the responsibility of each individual to recognise situations in which he or she has a conflict of interest, or might reasonably be seen by others to have a conflict, to disclose that conflict to the appropriate person and to take such further steps as may be appropriate as set out in more detail under the procedure below (see further in Section D below).

9. If an individual is uncertain about how this Policy might affect his or her activities or has any questions about its application, he or she should contact the appropriate person (as set out in paragraph 19) or the Secretary of the Committee on Conflict of Interest (coisec@admin.ox.ac.uk).

## **C. Recognising Conflict of Interest**

10. A conflict of interest arises where the commitments and obligations owed by an individual 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: 10.1 that person's personal gain, or gain to immediate family (or a person with whom the person has a close personal relationship)<sup>1</sup>, whether financial or otherwise; or 10.2 the commitments and obligations that person owes to another person or body.

11. 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.

12. The duty to declare a possible conflict applies to the perception of the situation rather than the actual existence of a conflict. However, the duty is not infringed if the situation cannot reasonably be regarded as likely to give rise to a conflict of interest.

13. Conflicts of interest may be financial or non-financial or both. Further information about both types is set out below.

### *Financial conflicts of interest*

14. 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.

15. Financial interest means anything of monetary value, for example:

15.1 payments for services;

<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 adopted, half and step members of family.

15.2 equity interests (e.g. stocks, stock options or other ownership interests); and/or

15.3 intellectual property rights (e.g. patents, copyrights and royalties from such rights).

16. 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 disclosure of 'any' financial interest, however small. A conflict will arise if the interest might provide, or be reasonably seen by others, to provide an *incentive* to the individual which affects their actions and where he or she has the *opportunity* to affect a University decision or other activity (because for example he or she is the decision-maker or the principal investigator on a research project). For examples of conflicts involving financial interest see Appendix A.

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

17. Non-financial interests can also come into conflict, or be perceived to come into conflict, with a person's obligations or commitments to the University or to other bodies, for example the individual's college or other body of which he or she is a trustee. Such non-financial interest may include any benefit or advantage, including, but not limited to, direct or indirect enhancement of an individual's career, education or gain to immediate family (or a person with whom the person has a close personal relationship)<sup>2</sup>. For examples of non-financial conflicts of interest see Appendix A.

#### **D. Procedure**

18. 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. Apparent or perceived conflicts of interest can be as damaging as actual conflicts of interest.

19. The general rule, with the exception of committee business (see paragraph 28), 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 noted in Council's Standing Orders. Exceptions to this rule are outlined in Appendix B.

20. In the case of undergraduate students, the student should discuss the relevant issues with his or her Tutor or Senior Tutor, who, where appropriate, will consult with the Head of Department following which an approach for dealing with the conflict might be agreed. In the case of postgraduate students, this discussion should be had with the student's 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, or the person responsible for postgraduate students in the department, for example the Director of Graduate Studies.

21. 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 or college's records.

22. Some instances will however need to be dealt with by agreeing how the conflict can be actively managed. The approach adopted should be documented and copies provided to the

<sup>2</sup> See footnote above for the definition of 'immediate family'.

relevant parties. A copy of the final plan must be held in the department's records. One or more of the following strategies may be appropriate to manage the conflict of interest:

- 22.1 not taking part in discussions of certain matters;
- 22.2 not taking part in decisions in relation to certain matters;
- 22.3 referring to others certain matters for decision;
- 22.4 resolving not to act as a particular person's supervisor;
- 22.5 divesting or placing in trust certain financial interests;
- 22.6 publishing a notice of interest;
- 22.7 standing aside from any involvement in a particular project; and/or
- 22.8 declaring an interest to a particular sponsor or third party.

23. It is the responsibility of those affected to comply with the approach that has been agreed.

24. 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.

25. Guidance on situations that are frequently encountered and which may give rise to particular kinds of conflicts requiring special action is set out at Appendix A.

26. 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 B.

27. Each Head of Division will be asked to inform the Conflict of Interest Committee of the actions taken to inform staff of the policy requirements and promote compliance.

28. *Committee meetings:*

28.1 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;

28.2 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 chairman 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.'

29. *Annual declaration of external interests*: in addition to declaring any conflict or potential conflict in accordance with the procedure above, the following postholders shall be required to submit an annual declaration of external interests to the Conflict of Interest Committee:

29.1 the Vice-Chancellor;

29.2 the Pro-Vice-Chancellors (Planning and Resources), (Personnel and Equality), (Research, Academic Services and University Collections), (Education), and (Development and External Affairs);

29.3 the Registrar;

29.4 all members of Council;

29.5 all members of the Audit and Scrutiny Committee;

29.6 the Proctors and Assessor;

29.7 the Heads of Divisions;

29.8 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 Committee on Conflict of Interest from time to time;

29.9 directors of subsidiary companies of the University; and

29.10 members of the Conflict of Interest Committee.

30. Persons with grounds to inspect declarations of conflict of interest shall be allowed access at the discretion of the Chairman of the Conflict of Interest Committee.

#### **E. The role and remit of the Conflict of Interest Committee**

31. The University has established a Conflict of Interest Committee to advise University bodies, ISIS Innovation Ltd, appointing authorities, and individual staff members or students (in appropriate circumstances).

32. The Committee shall be responsible for:

32.1 advising University bodies, ISIS Innovation Ltd, appointing authorities, and individual staff members or students (in appropriate circumstances);

32.2 monitoring the University's Policy on Conflict of Interest and making recommendations in the light of experience, and of good practice guidelines established by outside bodies;

32.3 ensuring that there are appropriate systems in place to promote and monitor compliance with the Policy on Conflict of Interest;

32.4 reviewing Annual Declarations of External Interest and alerting the appropriate University body where further clarification or action is required;

32.5 advising GPC, or any relevant committees, as appropriate, on cases of difficulties referred to it;

32.6 giving advice in the case of individual questions referred to it;

32.7 performing any such other action on behalf of Council in relation to the University's Policy on Conflict of Interest as may be required from time to time; and

32.8 reporting to GPC, on an annual basis, on the operation of the Committee and the Policy over the prior year.

**Review of the Conflict of Interest Policy**

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

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## **APPENDIX A**

### **Examples of Conflict of Interest**

#### *Financial interests:*

Examples of situations in which financial declarations of conflicts of interest are made:

1. Staff of the University serving on other bodies, e.g. research council committees, grant review panels, editorial boards etc, will typically be asked by those parties to declare financial interests.
2. Authors submitting a manuscript must disclose any 'significant financial interest' or other relationship with the manufacturers of any commercial products or providers of commercial services discussed in the manuscript and any financial supporters of the research. The intent of such disclosures is not to prevent an author with a significant financial or other relationship from publishing a paper, but rather to provide readers with information upon which to make their own judgments.

#### *Research:*

Examples of situations that give rise to conflicts of interest in research include:

3. The researcher has a financial interest in the company sponsoring the research, this being exacerbated if the value of the researcher's interest may be affected by the outcome of the research. The researcher is an inventor of patents or creator of other IP whose value may be affected by the outcome of the research.
4. The researcher holds a position in an enterprise (e.g. as director) that may wish to restrict (or otherwise manage) adverse research findings for commercial reasons or not wish to publish the results of the research.
5. A researcher or a related body in which the researcher has an affiliation or a financial interest may benefit, directly or indirectly, from dissemination of research results in a particular way (including any unwarranted delay in or restriction upon publication of such results).
6. A researcher conducts a clinical trial which is sponsored by any person or organisation with a financial interest in the results of the trial. A postgraduate research student conducts research on a project that receives support from a company in which the student has a financial interest or significant position.
7. Some research funding agencies set specific disclosure requirements related to financial interest. They may require, for example, direct notification to them or to University officials where a principal investigator's financial interests might reasonably appear to be affected by the outcomes of the research. Some types of research, e.g. clinical trials, also require additional declarations related to financial interest. Researchers need to be aware of and comply with those specific requirements. Further information can be found in the terms and conditions of the grant or contract. Researchers should contact Research Services if they are in any doubt as to the requirements.

#### *Student supervision and teaching:*

Examples of situations that give rise to conflicts of interest in relation to student supervision and teaching include:

8. Staff with a close personal or familial relationship with a student or a student's family who may be involved in decisions about that student's admission, supervision or academic progress, or the award of any studentships, prizes or other grants to the student.

9. An academic or a non-academic member of staff who is on the Board of Governors of a school who may be involved in considering a student from that school for an undergraduate place.

10. A member of staff who is in a position to judge the quality of a student's work or to evaluate a student in any way holds or proposes to take a financial stake or hold a formal position in any student-run, -owned or -controlled commercial venture whilst that student is enrolled at the University.

11. A postgraduate research student receiving support from a company in which his/her academic supervisor has a financial interest or position.

*Other examples of possible conflicts of interest:*

12. Participating in the appointment, hiring, promotion, supervision or evaluation of a person with whom the staff member has a close personal relationship.

13. A researcher has a financial interest in the licensee (or proposed licensee) of University intellectual property.

14. A staff member takes part in the negotiation of a contract between the University and a company, where the staff member or his or her family or a close personal friend has a financial or non-financial interest (e.g. a directorship) in that company.

15. An academic who has a senior editorial position with a commercial journal is also on a University library committee that recommends journal subscriptions.

16. An academic chairs a University committee which is to consider the allocation of funds to be shared between a number of colleges, including his own.

## APPENDIX B

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

#### *General Rule*

1. As explained in paragraph 19 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.

#### *Research*

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

2.1 *Clarification by principal investigators of any personal interests*: 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 all principal investigators to clarify whether they have any personal interest (shareholding, consultancy, directorship, etc.) in relation to the proposed sponsor. This is done on the outside grant (OG) form when submitting applications for external research funding to Research Services;<sup>3</sup>

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 ([www.admin.ox.ac.uk/curec](http://www.admin.ox.ac.uk/curec));

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 involved in a biomedical or clinical research project*: this is an area that 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. The circumstances determine whether there is a conflict of interest, not the outcome.<sup>4</sup> Staff or students who have a financial interest in a company that may reasonably appear to be affected by the results of a proposed biomedical or clinical research must disclose that interest and put to both the Head of Department and Head of Division for review/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;

2.5 *Student 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*

<sup>3</sup> Available at: [www.admin.ox.ac.uk/researchsupport/applying/guide](http://www.admin.ox.ac.uk/researchsupport/applying/guide)

<sup>4</sup> Kassirer, J.P., and Angel, M., editorial, *N. Eng. J. Med.* 1993; 329:570–1.

*such a company*: to preserve the integrity of the research the student and academic must disclose the conflict to both the Head of Department and the Chair of the Conflict of Interest Committee for review/approval of a conflict of interest plan/approach.

#### *Spin-outs and licensees of University IP*

3. Staff or students may have a financial interest or other personal interest in a spin-out or in an organisation to which the University has licensed or is seeking to license University IP or may have personal IP with which they are intending to create a start up company.

4. In such cases:

4.1 they should normally play no executive role in any decisions made between the University or its subsidiaries and such spin-outs or IP licensees. 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 and then the Pro-Vice-Chancellor (Research) must aim to protect the reputation of the academic(s), their research group(s) and the University and ensure compliance with company law; and

4.2 if they wish to undertake a consultancy for that spin-out, they must seek prior permission from the Head of Department, and in turn from the Pro-Vice-Chancellor (Research). The proposed conflict of interest plan/approach to be put to the Head and then the Pro-Vice-Chancellor (Research) must aim to protect the reputation of the academic(s), their research group(s) and the University and ensure compliance with company law.

5. Staff (other than researchers who are subject to Council Regulations 7 of 2002<sup>5</sup> for the Administration of the University's Intellectual Property Policy) wishing to buy or subscribe for shares in a spin-out at any stage prior to the listing of the shares in the company on a recognised Stock Exchange must seek permission in advance from the Head of Department and then from the Registrar.

#### *Sale, supply or purchase of goods or services*

6. 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>6</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 capacity for personal gain. If there are exceptional circumstances that prima facie require such involvement, the following process should be followed:

6.1 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;

6.2 they and their Head 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

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

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

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

| ISSUE  | FIRST-LINE APPROVAL | FURTHER APPROVAL                      | FURTHER DETAIL             |
|--|---------------------|---------------------------------------|----------------------------|
| <i>Research Students</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 arising from, or IP generated in the course of, 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 B        |
| <i>Biomedical/Clinical 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 biomedical or clinical research   | Head of Department  | Pro-Vice-Chancellor (Research)        | Para. 2, Appendix B        |
| <i>Spin-out and licensees</i>  |                     |                                       |                            |
| Staff or student who has a financial interest or other personal interest in a spin-out or in an organisation to which the University has licensed or is seeking to license University IP, wishing to:  | Head of Department  | Pro-Vice-Chancellor (Research)        | Paras. 3 and 4, Appendix B |
| (i) be involved in the negotiation of any contract between the University or its subsidiaries and such spin-outs or IP licensees; or   |                     |                                       |                            |
| (ii) undertake a consultancy for that spin-out or organisation.  |                     |                                       |                            |
| <i>Sale, supply or purchase of goods/services</i>  |                     |                                       |                            |
| 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  | Head of Department  | Director of Finance                   | Para. 5, Appendix B        |

## **APPENDIX C**

### **Other sources of information**

The Charity Commission has produced helpful guidance on conflicts of interest which can be accessed at:

[www.charitycommission.gov.uk/detailed-guidance/trustees-staff-and-volunteers/managing-conflicts-of-interest-a-guide-for-trustees](http://www.charitycommission.gov.uk/detailed-guidance/trustees-staff-and-volunteers/managing-conflicts-of-interest-a-guide-for-trustees)