

University of Glasgow
Conflicts of Interest Policy
December 2001, revised September 2010

1. Summary

Increasing demands are placed on universities to engage with for-profit organisations in order to discharge their responsibilities towards economic development and in order to generate funds to support their research and related activities. In this environment, University members of staff are placed in situations where potential conflict may arise between their personal and professional interests and the interests of the University at large.

In response to this situation, the University has adopted the following statement of policy:

It is the policy of the University that its officers, staff, and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest, and to ensure that their activities and interests do not conflict with their obligations to the University or its welfare.

This policy incorporates the Seven Principles of Public Life established by the Nolan Committee; the University's officers, staff and others acting on its behalf should abide by those principles.

All members of staff in a position to make or influence decisions and all academic members of staff are required to complete an Annual Return (including a "nil" return) to an appropriate authority. All other staff should complete an annual return if they have anything to declare. The general principle of "If in doubt, declare it" should be applied. Generally, prior full disclosure to an appropriate supervisor is the safest policy to follow.

The University has established a Committee on Conflicts of Interest, which is available for consultation in doubtful situations or those of unusual complexity. Members of the University community may choose to seek advice from their Heads of School, their Heads of College, the Human Resources staff, the Secretary of Court, or other counselling resources of the University.

The specific activities that should lead to scrutiny for conflict include: Executive and Non- Executive Directorships; Licensing of Intellectual Property; Equity Ownership; Outside Professional Activities and Consultancy; Research Sponsorship; Equity Interests; and Human Subjects. The Policy provides guidelines for thinking about conflict situations such as these, rather than rules that cover all possible situations.

Personal responsibility, integrity, and high ethical standards are the principal factors in avoiding conflicts of interest, and the University expects that all members of staff will conduct their outside activities in a manner that reflects credit on themselves, their profession, and the University without need for specific criteria or rules of conduct. The principal safeguards against abuse are the standards required by professional colleagues and the rigorous process by which the University evaluates and selects individuals for appointment and promotion.

This Policy was approved by Court on 12 December 2001, with immediate effect.

2. Background

Increasing demands are placed on universities to engage with for-profit organisations in order to discharge their responsibilities towards economic development and in order to generate funds to support their research and related activities. In this environment, University members of staff are placed in situations where potential conflict may arise between their personal and professional interests and the interests of the University at large.

Examination of other institutions' approaches shows that full and active disclosure monitoring and conflict management is the key to preventing and resolving conflict situations. This Policy seeks to provide the University with a framework for the relevant processes. It is closely related to the Court Policy Statement on Research Grants and Contracts, Consultancy and Commercial Activity, and also takes account of the reports of the Committee on Standards on Public Life (the "Nolan Committee"), which defines the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty, and leadership (see Appendix A).

This policy encompasses the existing requirements for declaration of interests for members of Court and senior management and draws on similar policies of other universities, including Birmingham, California System, Cardiff, Colorado, Edinburgh, Imperial College, Leeds, MIT, and Oxford. It also draws on the Association of American Universities' work in their "Report on Individual and Institutional Financial Conflict of Interest" (October 2001).

3. Definitions

There are two principal strands to Conflict of Interest in a University situation. The term refers to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, professional judgement and integrity.

Conflict of Interest. Private interests of a University employee influence University decisions, research directions or interactions among Faculty staff and students. Apparent conflicts may undermine trust and be as damaging as an actual conflict. This can include both direct influence of decisions, and conflicts arising from misuse of privileged access to confidential information or the acceptance of gifts or ex gratia payments.

Conflict of Commitment. Private interests or non-University activities harm or interfere with the productivity and involvement of University employees. This refers to an individual's distribution of effort between employment obligations to the University and to outside professional activities.

Activities and situations that could present conflicts of interest or commitment can be divided into three categories:

- A. Activities that ordinarily are permissible;
- B. Activities that appear to present potential conflicts of interest or commitment;
- C. Activities that clearly present such serious problems as to be incompatible with University policies.

The separation is imperfect, but examples are provided in Appendix B.

Prior disclosure and discussion of any perceived risk of conflict is the professional and responsible way to avoid such risks maturing into problems. Where members of staff think that there is any risk of conflict, they should disclose this fully to their Head of College. In all cases of potential conflict, written agreement should be obtained before any commitment is made.

4. Policy

In response to this situation, the University has adopted the following statement of policy:

It is the policy of the University that its officers, staff, and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest, and to ensure that their activities and interests do not conflict with their obligations to the University or its welfare.

This policy incorporates the Seven Principles of Public Life established by the "Nolan Committee"; the University's officers, staff and others acting on its behalf should abide by those principles.

Accordingly, a Register of Interests is to be kept of the personal interests of staff, both full and part-time, which may overlap with the interests of the University. Thus, members of staff are asked to provide details of membership of external committees whose work may be related to that of the University, as well as their interests as consultants. All members of staff in a position to make or influence decisions (e.g. members of Court and Senior Management Group, Heads of College, Heads of School and Directors of Research Institutes) and all academic members of staff are required to complete an Annual Return (including a "nil" return) to an appropriate authority (the Secretary of Court for the first group mentioned, or their Head of College for academic members of staff). This acts as an acknowledgement of their knowledge of this policy and a declaration of their specific interests, if any. A small number of staff in other specified positions may also be required to make an Annual Return. Other members of staff are required to complete an Annual Return to their Head of College and Head of School if they have specific interests to declare. (See Appendix C for details of the process and declaration form.)

In stating this policy, members of staff are reminded that they have a common law obligation of confidentiality and loyalty of service to the University, and must ensure that sensitive and confidential matters relating to the work or administration of the University are not improperly disclosed, either internally or externally. Members of staff are also subject (often on a personal basis) to laws and regulations relating to "insider dealing or trading", or inappropriate provision of market-sensitive information, and should be careful when discussing research or opportunities in this context.

There are situations sufficiently complex that judgements may differ as to whether there is or may be a conflict of interest, and individuals may inadvertently place themselves in situations where conflict exists. Accordingly, anyone with a personal interest that may have the potential for conflict with the interests or welfare of the University should seek advice and guidance from their Head of College or the Secretary of Court: the general principle, "if in doubt, declare it", should be applied. The University has established a Committee on Conflicts of Interest, which is available for consultation in doubtful situations or those of unusual complexity. (See Appendix D for the remit and membership of this Committee.)

Other potential conflicts of interest may arise from opportunities that an individual may have to influence or to be influenced improperly by personal relationships, in ways that are not consistent with the education and employment policies and the principles to which the University is committed. Potential conflicts of interest of a particularly sensitive nature may arise out of sexual relationships, especially in the context of educational or employment supervision and evaluation. Because the effects on other people at work or in the classroom are frequently not apparent to the persons involved in a sexual relationship, anyone with such an involvement should be attentive to the feelings of colleagues and to the potential conflicts of interest that may be involved.

Members of the University community may choose to seek advice on these personal questions from their Head of School, their Head of College, the Human Resources staff, the Secretary of Court, or other counselling resources of the University.

Implementation of this policy is the responsibility of the Secretary of Court, working with the Heads of College. Members of staff who do not comply with the policy may be subject to the University's Disciplinary Procedures, operating in their normal manner.

5. Guidelines

When the University or members of staff interact with external organisations, situations may arise that pose a conflict of interest for members of staff. Normally, this happens when they make decisions while fulfilling their University responsibilities that might materially affect their personal wealth or that of their immediate family members. Sometimes these conflicts can be managed; sometimes they must be avoided. These guidelines are intended as reminders of situations where conflicts may arise and suggestions for how to manage or avoid them. They are intended to be guidelines for thinking about conflicts rather than rules that cover all possible situations. Generally, prior full disclosure to an appropriate supervisor is the safest policy to follow.

The specific activities that should lead to scrutiny for conflict include:

- Executive and Non-Executive Directorships
- Licensing of Intellectual Property
- Equity Ownership
- Outside Professional Activities and Consultancy
- Research Sponsorship
- Equity Interests
- Human Subjects

5.1 Executive and Non-Executive Directorships

The holding of directorships and other executive and non-executive positions in third party organisations and companies can place a member of staff directly in a position of conflict, and hence should be handled carefully from the outset.

Senior members of staff are not permitted to hold executive positions in companies in which the University has a direct shareholding. Other members of staff require the agreement of their Head of College in consultation with the Research and Enterprise (R&E) Steering Group.

Members of staff may hold non-executive positions in third party organisations and companies, subject to the agreement of their Head of College in consultation with the R&E Steering Group.

Members of staff may hold non-executive directorial positions in University-owned or partially-owned companies, as a representative of the University. In such situations, where the member of staff is in a senior position, they should not be involved in any University decisions relating to that company, as this would put them in conflict with their legal responsibilities as a director.

Members of staff of R&E or other central administrative offices are not permitted to serve in a personal capacity as a director or other officer of a company or commercial enterprise, the establishment of which arose out of or was connected with work done in the University. They are similarly not permitted to serve in a personal capacity as a director or other officer of a company or commercial enterprise in a contractual relationship with the University where the member of staff was concerned or connected with the placing or negotiation of the contract in question.

5.2 Licensing of Intellectual Property

The licensing of intellectual property should lead to the future payment of royalties. The proper distribution of this income depends on correct documentation of the contribution to the invention. Invention Disclosure Documents (available from R&E) should be completed and lodged to clarify rights to royalties from licensing. Intellectual property subject to licensing should be accompanied by a disclosure document.

The potential for conflicts is greater for those in managerial or supervisory positions (e.g. supervisors of students, Heads of School, Directors of Research Institutes, Heads of College, and other officers of the University), but conflict of interest situations can arise for anyone. All members of the University community should consult with an appropriate supervisor when it appears there may be a conflict. In some cases, this may not be an immediate supervisor.

Members of staff in Research and Enterprise need to be especially diligent to avoid conflicts of interest. In order to assure no present or potential future conflict of interest, an individual Research and Enterprise staff member should not personally invest in non-public companies that have licensed University intellectual property. If a member of staff is a partner in a venture fund, that person should not engage in licensing negotiations with any company in which that fund is invested, and those who are voting partners should not recommend University companies to that fund. R&E staff members also have a special responsibility to assure that their knowledge of a University licence to a public company is not

disseminated in any way that could affect the company's stock price, and that the knowledge is not used for investment purposes by themselves, their families, friends or business associates.

5.3 Equity Ownership

During the time that companies are still privately held, managers and supervisors, including supervisors of students, should not invest personally or own stock in business ventures of their subordinates or students, since there is a conflict of interest between the manager's supervision of the student or subordinate (e.g. assigning grades, approving promotions, determining salary levels, allocating space, etc.) and the manager's business partnership with the student or subordinate.

It is a conflict for an investigator/inventor to negotiate with the University regarding the terms of a licence before the matter of ownership has been definitively resolved. Members of staff who are founding companies should not personally negotiate the licensing terms with the University. A solicitor or a company executive with no connection to the University should be appointed for this task.

Members of staff with equity in or who hold board positions on any company should not be involved in or attempt to influence the University licence or contract terms to that company.

Members of staff of R&E or other central administrative offices are not permitted to hold any shares in a company, the establishment of which arose out of or was connected with work done in the University, nor any company in a contractual relationship with the University, where the member of staff was concerned or connected with the placing or negotiation of the contract in question, unless such shares have been acquired following the listing of the company on a recognised stock exchange.

5.4 Outside Professional Activities and Consultancy

The University believes that its educational program and effective teaching in all its aspects can flourish only when sustained by continuous, active participation of its staff in research, enriched in many cases by interaction with industry, business, government, and other activities and institutions of our society.

This interaction, including outside consulting service to and research for government and industry, is of greatest value when it contributes significantly to the public welfare, offers an opportunity for professional challenge and growth, or otherwise enhances the effectiveness of a member of staffs service to the University.

The implications of such outside professional activity is such that orderly procedures must be followed to avoid ethical and legal conflicts of interest and to ensure that such activities do not conflict with the proper discharge of University responsibilities. Essential elements are a) complete disclosure of outside professional activities, and b) the availability of the best advice and consultation that can be obtained.

Liaison between the Head of College, Head of School and members of staff is the principal means of communication and disclosure in matters involving outside professional activities. The following procedures are to be followed:

- a) It is the obligation of members of staff to keep their Head of College and Head of School informed continually in adequate detail regarding all outside professional activities, service on external committees, and other special assignments, whether within or outside of the University.
- b) It is the further obligation of members of staff to discuss with their Head of College and Head of School the assumption of outside activities that are new in scope or kind, before entering an agreement to undertake them. This is particularly true of those outside activities, such as direct and active management obligations in outside business entities, that normally conflict with the requirement that the primary loyalty of a full- time member of staff be, at all times, to the University, and that are normally incompatible with a member of staffs meeting the full range of his or her obligations to the University.

Situations of unusual complexity or those incapable of satisfactory resolution between members of staff and their Head of College and Head of School may be referred to the Committee on Conflicts of Interest.

Personal responsibility, integrity, and high ethical standards are the principal factors in avoiding conflicts of interest, and the University expects that all members of staff will conduct their outside activities in a manner that reflects credit on themselves, their profession, and the University without need for specific criteria or rules of conduct. The principal safeguards against abuse are the standards required by professional colleagues and the rigorous process by which the University evaluates and selects individuals for appointment and promotion.

5.5 Sponsored Research

University staff accepting research sponsorship from a company in which they have a significant financial interest provides a potential conflict situation. This particularly applies to small and privately-owned companies, and should not prevent a member of staff from receiving research support from a large, publicly-quoted company just because they or a family member owns some shares in the company.

The numbers of staff with a financial interest in an unquoted company may increase as a consequence of the reward mechanisms used by the University (e.g. as part of a package for a member of staff involved in commercialisation of their research through a company). In these circumstances, disclosure of interests and arrangements is particularly important. The resulting project or activity should involve, directly or in an oversight role, a member of staff of suitable seniority who is not connected with the sponsoring company.

Similarly, a member of staff receiving research support would be in conflict if they were in a position to have influence over the sponsor's funding decisions or acceptance of University terms in a licence or contractual agreement.

Other areas in which conflicts could arise are:

- the dissemination of research findings (e.g. their timing and content);
- the use of University resources (e.g. unfunded use of staff or facilities);
- the maintenance of the academic culture (e.g. the rights of students being supervised);
- technology licensing (e.g. undisclosed inventions or negotiation of licensing terms);
- the appropriateness of the sponsored research (e.g. the nature of the business of the sponsor, or the fit with other University, College or School activities).

5.6 Equity Interests

It is becoming more common for the University to receive an equity interest in a company as part of a contract or commercialisation agreement. In such circumstances, it is important that the investment decisions made about that equity interest should be undertaken by a process that is separate from that which makes research decisions.

In the University, investment decisions are undertaken by the Court's Investment Committee, whilst research decisions are undertaken by the Faculties along with the Research and Enterprise Steering Group. GU Holdings Ltd operates on the boundaries of these decisions, and its Board and staff need to be particularly conscious of their positions, decisions and communications.

5.7 Human Subjects

Research involving human subjects, organs or tissue requires especial consideration if there is a potential conflict situation, and thus disclosure of relevant interests is particularly important. This may include disclosure of interests to research participants, as a means of safeguarding individual and institutional integrity.

6. Appendix A: Seven Principles of Public Life

The following principles were set out by the Committee on Standards in Public Life (the "Nolan Committee"):

Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
Honesty	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
Leadership	Holders of public office should promote and support these principles by leadership and example.

7. Appendix B: Categorisation and Examples of Possible Conflict Situations

The following classification from the University of Colorado usefully sets out a potential range of conflict situations. Activities and situations that could present conflicts of interest or commitment can be divided into three categories:

- A. Activities that ordinarily are permissible;
- B. Activities that appear to present potential conflicts of interest or commitment;
- C. Activities that clearly present such serious problems as to be incompatible with University policies.

The separation into categories is imperfect and the following list of examples is not exhaustive.

- A. Activities that ordinarily are permissible include:
 - i) Participation in scientific or professional association activities, editorial responsibilities, or service on scientific review boards and panels.
 - ii) Acceptance of honoraria for commissioned papers and occasional lectures.
 - iii) Performance of professionally-related activities such as consulting, textbook authorship, involvement with professional societies, participation on review panels, etc.
 - iv) Service as a consultant to outside organisations, provided the arrangement does not unreasonably restrict publication of research results obtained within the University.

- v) Service on boards and committees of organisations, public or private, that does not distract unduly from University obligations.
 - vi) Performance of duties that are specified under approved agreements.
- B. Activities that appear to present potential conflicts of interest or commitment:
- i) Relationships that might enable an employee to influence the University's dealings with an outside organisation in ways leading to personal gain or to improper advantage for anyone. For example, an employee could have a financial interest in an enterprise with which the University does business and be in a position to influence relevant business decisions. Ordinarily such problems may be resolved by full disclosure as well as making appropriate arrangements that clearly exclude that employee from participating in the decisions.
 - ii) Situations in which the time or creative energy an employee devotes to extramural activities, including those listed in A, appears substantial enough to compromise the amount or quality of his or her participation in the instructional, scholarly, and administrative work of the University itself.
 - iii) Activities (research projects, conferences, teaching programs, remunerative consulting agreements, etc.) for which employees are personally remunerated that involve, or might reasonably be perceived to involve, the University, its name, its laboratories, computers or other facilities and equipment.
 - iv) Activities that violate or might reasonably be perceived to violate any of the principles governing research supported by funds administered through the University insofar as these principles are relevant to individual behaviour.
- C. Activities that present such serious problems as to be incompatible with University policies:
- i) Situations in which the individual assumes responsibilities for an outside organisation that divert his or her attention from University duties, or create other conflicts of loyalty.
 - ii) Use for personal profit of unpublished information emanating from University research or other confidential University sources, or assisting an outside organisation by giving it unreasonably exclusive access to such information or consulting under arrangements that impose obligations that conflict with University patent policy or with the University's obligations to research sponsors.
 - iii) Circumstances in which research that could and ordinarily would be carried on within the University is conducted elsewhere to the disadvantage of the University and its legitimate interests.

8. Appendix C: Annual Disclosure of Interests Process

It is the duty of all employees to disclose any actual or potential conflict of interest. Failure to disclose an actual conflict may result in disciplinary action. If an individual is unclear whether an interest should be declared or not, he/she should seek the advice of the appropriate Head of College or the Secretary of Court. If in doubt, an interest should be included in the Annual Return. Members of staff in the following positions are required to submit an annual declaration:

- Members of Court
- Members of the Senior Management Group
- Heads of College
- Heads of School
- Directors of Research Institutes
- Convenors of relevant University committees, as defined by the Committee on
- Conflicts of Interest
- Staff in specified posts, as defined by the Committee on Conflicts of Interest
- All academic members of staff

The Annual Return acts as an acknowledgement by the individual of their knowledge of the policy and a declaration of any specific interests. For individuals in the above list, a return is required even if there are

no specific interests to declare. Other members of staff are required to make a declaration if they have specific interests to declare.

The Register of Interests of staff in responsible positions (i.e. those required to make an Annual Return as defined above), will be held by the Court Office. Each Head of College will hold a Register of Interests for other members of staff in their Faculty. Academic members of staff should make their return through their Head of School and Head of College, others to the Secretary of Court. These Registers should be available for inspection by members of the University and the wider public by written request to the Secretary of Court or relevant Head of College.

8.1 Information to be Disclosed

Any member of the University who has material interest, either directly or through a business partner, spouse, (unmarried) partner or close relative, in matters likely to be considered by the University should declare that interest. Such declarations should describe the interest clearly and state whether it carries either direct or indirect financial interests.

Relevant interests in this context are:

- All directorships, partnerships, consultancies, trusteeships and other commercial engagements, including non-executive directorships of or employment by, public or private companies likely or possibly seeking to do business with the University.
- Significant shareholdings in public or private companies or ownership or part- ownership of or employment by business or consultancies likely or possibly seeking to do business with the University.
- Remunerated or honorary positions and other connections with HE institutions which may give rise to a conflict of interest, including relevant external government or public committees, such as Research Councils, charities, Government Departments, professional bodies and training organisations.
- Gifts or offers of gifts, and ex gratia payments.
- Ownership or part ownership or other interest in property in the vicinity to the University.
- Representational or other non-financial interests in areas covering the University (e.g. election as a Councillor or MP for a ward including all or part of the University).

8.2 Disclosure Form

**University of Glasgow
Register of Interests
Annual Return**

Name:

Staff Number:

School:

College:

Position:

Statement of Policy: It is the policy of the University that its officers, staff, and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest, and to ensure that their activities and interests do not conflict with their obligations to the University or its welfare.

This policy incorporates the Seven Principles of Public Life established by the Nolan Committee; the University's officers, staff and others acting on its behalf should abide by those principles.

Declaration of Interests:

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I acknowledge the University policy on conflicts of interest, and declare the above interests. I confirm that I have no other activities, responsibilities or ownership entitlements that might lead to a conflict of interest situation.

Signature:

Date:

9. Appendix D: Remit and Membership of the Committee on Conflicts of Interest

The University has established a Committee on Conflicts of Interest to advise University bodies, appointing authorities, office holders and members of staff.

9.1 Remit of the Committee

- i) To monitor the operation of the University's policy on conflicts of interest, and to make recommendations to Court in the light of experience.
- ii) To encourage the spread of "good practice", including monitoring guidance published by other external bodies.
- iii) To review the process of annual declaration of interests, and the type of information to be disclosed.
- iv) To determine referred requests for approval for external positions (i.e. only those cases referred to the Committee for particular reasons).
- v) To provide advice in individual cases referred to it.

9.2 Membership of the Committee

The Committee should have the following membership:

- Secretary of Court (Convener)
- Lay Member of Court
- Director of Human Resources
- A Head of College

Matters should be referred to the Committee via the Secretary of Court. The Committee will meet as required, will be supported by the Court Office, and will report to Court after each meeting.