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| **COUNCIL** | | | | | | | | | | |
| **Reference: XXX-COUN-241014-I** | | | | | | **Classification: Internal** | | | | |
| **Title** | **Conflicts of interest in relation to committee business 2024-25** | | | | | | | | | |
| **Owner** | **Gillian Aitken, Registrar** | | | | | | | | | |
| **Author(s)** | Niamh Young, Senior Risk and Compliance Manager | | | | | | | | | |
| **Action required** | Council is invited to **note** the information provided on recognising and managing conflicts of interest in relation to committee business. | | | | | | | | | |
| **Purpose of Report** | | | | | | | | Indicate all that apply **X** | | |
| To provide assurance | | |  | | To canvas opinion | | | | |  |
| Regulatory requirement | | | X | | To highlight an emerging risk or issue | | | | |  |
| **University Strategic Plan** | | | | | | | | | | |
| Education | | |  | | Research | | | | |  |
| People | | |  | | Engagement and Partnership | | | | |  |
| Resources | | |  | | University governance | | | | | **X** |
| **Equality and Diversity** | | | | | | | | | | |
| Are there any equality and diversity implications that affect the University's obligations under the Public Sector Equality Duty (PSED) to eliminate discrimination, advance equality of opportunity fostering good relations between people that should be discussed? | | | | | | | | | Yes |  |
| No | X |
| 1. Summary   The University’s Conflict of Interest Policy includes guidance about the management of conflicts within committee business. It recommends that the issue of what a conflict is, and how it should be managed, should itself be an item on the agenda of each committee at its first meeting of the academic year.  The [Conflict of Interest Policy](https://compliance.web.ox.ac.uk/governance/integrity/conflict/policy) was last revised in Trinity Term 2023, supporting resources including: examples of how to manage conflicts, guidance for different situations and links to training courses have also been updated and are available on the [University website](https://compliance.web.ox.ac.uk/governance/integrity/conflict).   1. Consultation   This paper has been reviewed by the Director of Assurance and the Head of Governance.   1. Strategic Plan   Good governance, including appropriate management of conflicts of interest in relation to committee business at all levels, is required in order to deliver all elements of our strategic plan.   1. Risk analysis   There are risks associated with undisclosed and unmanaged conflicts of interests in committee business as they can result in biased decision-making, or the perception of it. Conflicts of interest may also damage the reputation of individuals and jeopardise the University’s public standing.   1. Cost and sustainability   Not applicable. | | | | | | | | | | |
| **Route Map** | | | | | | | | | | |
| **Committee** | | **Date** | | **Reference** | | | **Action Requested/Taken** | | | |
| Council | | 14 October 2024 | | XXX-COUN-241014-I | | | To Note | | | |

**Main Report**

**Conflicts of interest in relation to committee business**

Management of conflicts of interest in relation to committee business is part of good governance. A definition of conflicts of interest, the requirement to include conflicts on meeting agendas and the information on how to recognise conflicts are set out in the conflict of interest policy and summarised below.

In addition to a summary of the policy, this paper also includes a recommendation for the information which should be recorded in meeting minutes, a checklist for proactively identifying and managing conflicts of interest in relation to committee business and actions which might be taken to manage identified conflicts.

1. **Conflicts of interest**

**A conflict of interest arises where the commitments and obligations owed to the University 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 an individual has a close personal relationship)[[1]](#footnote-1), whether financial or otherwise; or b) the commitments and obligations that person owes to another person or body.**

There can be situations in which the appearance of conflict of interest is present even when no conflict actually exists. When evaluating a potential conflict of interest, consider how it might be perceived by others. Apparent or perceived conflicts of interest can be as damaging as actual conflicts of interest.

1. **Conflicts of interest on the agenda**

As required by the [policy](https://compliance.web.ox.ac.uk/governance/integrity/conflict/policy), at the 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 recommended that committees, divisions and departments also include a similar statement to the following in each agenda:

'Members and regular attendees 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 themselves from all or part of the Committee's discussion of the matter.'

1. Recognising where conflicts of interest arise (see also [Policy section 5](https://compliance.web.ox.ac.uk/governance/integrity/conflict/policy))

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 inside the University Group including in subsidiaries and joint ventures;
* committee membership and roles involving decision-making in or on behalf of the University, departments, faculties or other units; and
* close personal relationships.

There are also particular activities which are more likely to give rise to actual or potential conflicts:

* spinouts and other companies in which an individual has an interest;
* intellectual property;
* procurement;
* complex commercial transactions and arrangements;
* conduct and funding of research;
* external activities and appointments;
* admissions; and
* recruitment.

Conflicts of interest may be financial, non-financial or both. ‘Financial gain’ or ‘financial interest’ means anything that has monetary value, including but not limited to:

* payments;
* benefits in kind;
* hospitality and/or gifts;
* forgiveness of debt;
* discounts, bonuses or other favourable contract terms;
* equity interests (e.g. stocks, stock options her ownership interests); and/or
* intellectual property rights (e.g. patents, copyrights and royalties from such rights).

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.

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.

Non-financial interests can also come into conflict, or be perceived to come into conflict, with an individual’s 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).

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.

In order to identify potential conflicts of interest, individuals 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.

1. Making declarations of relevant interests and keeping records

For all committees, declarations of interests and actions taken to manage conflicts of interest should be made and recorded in the minutes of the meeting in relation to agenda items as they arise.

The following information should be recorded:

* Individual declaring the interest;
* At what point the interest was declared;
* The nature of the interest;
* The Chair’s decision and resulting action taken;
* The point during the meeting at which any individuals retired from and returned to the meeting - even if an interest has not been declared

As set out in [policy Section 8](https://compliance.web.ox.ac.uk/governance/integrity/conflict/policy#collapse4319326) a number of senior staff and the following individuals are also required to make annual declarations of interest:

* Directors of subsidiary companies of the University;
* Members and Officers regularly in attendance at Council, a number of other Committees and the Divisional Boards:

Registers of standing interests for the members and attendees of these specific committees and boards are therefore maintained centrally and can be requested by the committee chair or secretary from the Compliance Manager in Assurance ([compliance@admin.ox.ac.uk](mailto:compliance@admin.ox.ac.uk))

1. Conflict of interest checklist for meetings

The following checklist may be helpful for committee chairs and secretaries.

**Preparing for a meeting**

* At the first meeting of the academic year, include a standing item on conflicts of interest on the agenda
* Include the statement on making declarations on each meeting agenda
* Review members' declared interests (where there is a centrally-managed committee register of interests) and previous minutes against proposed agenda items for any ongoing conflicts
* Where possible circulate an agenda in advance of papers so individuals can identify potential conflicts, consider withholding relevant papers from conflicted individuals

**During a meeting**

* Ask for declarations of interests in relation to agenda items
* Decide on a case-by-case basis appropriate actions to manage each actual or potential conflict
* Record in the minutes all declarations (whether received in the meeting or beforehand) and actions taken

**After a meeting**

* If the committee has a centrally-managed register of interests and a new ongoing interest has been declared that has the potential to create a conflict, arrange with the Compliance Manager for the register to be updated [compliance@admin.ox.ac.uk](mailto:compliance@admin.ox.ac.uk)
* If an undeclared conflict becomes apparent after the meeting which has the potential to call decisions into question, seek advice from the Compliance Manager, the Head of Governance or the Director of Assurance as appropriate

**Possible Actions**

The chair is responsible for deciding on the appropriate action when a declaration has been made and a conflict identified in relation to an item of business in a meeting. If the chair has a conflict, the vice or deputy chair, where there is one, will take on this role. If there is no nominated vice chair or both are conflicted, the non-conflicted members will decide on the action to take. The appropriate course of action will depend on the particular circumstances, but could include one or more of the following:

* Where the chair has a conflict of interest, deciding that the vice chair (or another non-conflicted member of the meeting if the vice chair is also conflicted) should chair all or part of the meeting;
* Requiring the individual who has a conflict of interest (including the chair or vice chair if necessary) not to attend the meeting;
* Ensuring that the individual does not receive the supporting papers or minutes of the meeting which relate to the matter(s) which give rise to the conflict
* Requiring the individual to leave the discussion when the relevant matter(s) are being discussed and when any decisions are being taken in relation to those matter(s). In private meetings, this could include requiring the individual to leave the room and in public meetings to either leave the room or join the audience in the public area;
* Allowing the individual to participate in some or all of the discussion when the relevant matter(s) are being discussed but requiring them to leave the meeting when any decisions are being taken in relation to those matter(s). This may be appropriate where, for example, the conflicted individual has important relevant knowledge and experience of the matter(s) under discussion, which it would be of benefit for the meeting to hear, but this will depend on the nature and extent of the interest which has been declared;
* Noting the interest and ensuring that all attendees are aware of the nature and extent of the interest, but allowing the individual to remain and participate in both the discussion and in any decisions. This is only likely to be the appropriate course of action where it is decided that the interest which has been declared is either immaterial or not relevant to the matter(s) under discussion.

Further information

Further information can be obtained from the Compliance Manager [compliance@admin.ox.ac.uk](mailto:compliance@admin.ox.ac.uk)

1. ‘immediate family’ is as defined in the policy <https://compliance.admin.ox.ac.uk/governance/integrity/conflict/policy> [↑](#footnote-ref-1)