

UNIVERSITY OF ABERDEEN

CODE OF PRACTICE ON CONFLICTS OF INTEREST

INTRODUCTION

1. The University of Aberdeen believes that the establishment of links between its employees and outside bodies – whether government departments, commerce, industry, or others – is not only in the public interest but also benefits the University and the individuals concerned. However, it is possible that such links may give rise to potential conflicts of interest. The University Court has therefore approved the following guidelines to help individuals assess whether or not proposed activities could cause a conflict of interest and to outline the procedure for disclosure of any perceived or potential conflict. The University Court has also assigned the role of monitoring the operation of the policy to the Governance and Nominations Committee (“The Committee”).

GUIDELINES AS TO CONFLICT OF INTEREST

2. It is not possible to define all the circumstances which may cause a conflict of interest, but the following are examples of situations which could give rise to one. In any situation where an individual is uncertain as to the propriety of a given arrangement, advice may be sought from the Governance and Nominations Committee, the remit of which is set out in paragraph 14 below.
 - (a) The use of the University's research or administrative facilities to pursue personal business.
 - (b) Any attempt to restrict rights governing the timing and content of publications, except in circumstances properly approved by the University to protect privacy, commercially sensitive proprietary information, and patentable inventions.
 - (c) Involvement in externally funded activity which might infringe the right of a student, engaged in the activity, to complete the degree for which he or she is registered, and/or to publish freely his or her findings (except in the circumstances referred to in sub-paragraph b above) or where a supervisor is also a shareholder or director of the company sponsoring the project.
 - (d) A financial interest held by an individual (or by his or her immediate relative/s or household member/s) in an external enterprise, engaged in activities closely related to that individual's line of research in the university. Examples of such interests are paid consultancies, paid service on a board of directors or advisory board, or equity holdings in or royalty income from the enterprise. The existence of such an interest does not necessarily imply conflict, but may give an appearance of conflict, and should be declared (as set out in more detail below).
 - (e) A personal involvement in any company or commercial enterprise which is in a contractual relationship with the University, or which is in the process of negotiating a contract with the University, where the employee has been concerned or connected with placing or negotiating the contract in question or with the research or other activity which the contract might cover.
3. In addition, there are certain circumstances which the University Court feels give rise to such clear conflicts that it has approved the requirements set out below.

EXECUTIVE DIRECTORSHIPS AND APPOINTMENTS

4. It is University policy that no member of staff shall hold any executive directorship or appointment without the express approval of the Committee. Approval for such directorships may be given in the following circumstances:

- (a) Where a member of staff has satisfied the Committee that the holding of an executive directorship is or will be necessary to satisfy the requirements of a recognised stock exchange for the listing of scientific, research-based companies; and/or
 - (b) Where the Committee is satisfied that approval will be justified on other grounds, eg a prerequisite for investment.
5. Consent will be given only if the Committee is satisfied that the appointment will comply with the general conditions relating to the holding of other appointments.
6. For the purpose of this guidance, an executive directorship is one involving an active management role, whether or not including research, in the company concerned.

HOLDING OF OFFICES AND SHARES BY MEMBERS OF STAFF OF THE UNIVERSITY

7. No member of staff shall, without permission of the Committee, serve in a personal capacity as a director or other officer or employee or agent or sub-contractor of a company or commercial enterprise, the establishment of which arose out of or was connected with work done in the University, or any company or commercial enterprise in a contractual relationship with the University, where the member of staff was concerned or connected with placing or negotiating the contract in question.
8. Any member of staff nominated by the University to serve as a director or other officer of a company shall be deemed to accept the nomination in the discharge of his or her duties as an employee of the University. Any director's fee or other emolument shall normally be accepted on behalf of the University and applied to University purposes.
9. No member of staff, without permission of the Committee, shall hold any shares in a company, the establishment of which arose out of or was connected with work done in the University, or any company in a contractual relationship with the University, where the member of staff was concerned or connected with placing or negotiating the contract in question, unless such shares have been acquired following the listing of the company on a recognised stock exchange.
10. The Committee shall have powers to vary these requirements and shall report any such variances to the Court.

DECLARATIONS

11. It is the duty of all employees to disclose any actual or potential conflict of interest. The procedures for certain disclosures are laid out below. In any other case, a disclosure should be made in writing and should be directed to the University Secretary, as secretary to the University Court, and to the Committee. Failure to disclose an actual conflict of interest may result in disciplinary action.
 - (a) A declaration as to any conflict of interest will be sought in connection with any externally funded research project.
 - (b) Application for permission to undertake other activities will require the individual concerned to declare any conflict of interest before permission will be granted.
 - (c) In addition to declaring any conflict or potential conflict in accordance with subparagraphs (a) and (b) above, people occupying the following positions shall also be required to submit an annual declaration of external interests to the Committee:
 - the Principal
 - the Vice-Principals
 - the University Secretary
 - members of the University Court
 - heads of Schools and Support Sections
 - Directors of Research

- conveners of such other bodies which govern the University's affairs as shall be specified by the University Court from time to time, in consultation with the Committee
 - such other individuals as may be specified from time to time, in consultation with the Committee.
12. A record of all declarations made shall be maintained by the University Secretary. In addition to declarations made from time to time under the above procedure, records shall be updated annually, and members of staff shall be required to provide updated information on request.
13. If a conflict of interest or a potential conflict of interest has been disclosed, the individual concerned shall discuss a possible resolution with his or her line manager. Any unresolved matter shall be referred to the Committee for advice, and in cases of particular difficulty the Committee shall refer its recommendations to the University Court.

GOVERNANCE AND NOMINATIONS COMMITTEE

14. The University has established the Committee to act on behalf of the University Court, to advise individual staff members and to make decisions in appropriate circumstances. The remit of the Committee is as follows:
- advise Court on matters of governance and conduct reviews of the University's governance on its behalf;
 - ensure the University has met the governance requirements of the Scottish Code of Good HE Governance, Scottish Funding Council and charities regulator;
 - review key governance risks and monitor the adequacy and effectiveness of respective mitigation, activities and controls;
 - recommend to Court the process to be undertaken in the appointment or re-appointment of the Principal and the University Secretary & Chief Operating Officer, specifying also the authority of any selection committee within such process and the points at which its approval must be sought;
 - receive assurance reports on the continuity plans for senior management positions (in the event of unexpected absences);
 - make recommendations to Court on the appointment or re-appointment of independent members of Court, and Court representatives on Court and joint Court/Senate Committees;
 - advise Court on the process for the appointment and election of the Senior Governor as required;
 - monitor Court members' compliance with the Code of Conduct for Members of Court, including upholding the nine principles of Public Life in Scotland; and to undertake those duties ascribed to it by Resolution No 288 of 2017 (Procedure for Removal of members of the University Court);
 - monitor the operation of the University's Code of Practice on Conflicts of Interest and to make reports and recommendations to the University Court;
 - review annual declarations of interest and to take further action where required.
 - consider and, if appropriate, approve requests for the holding of shares, executive directorships, or other directorships;
 - give advice regarding any matter of University governance or potential area of conflict of interest referred to it (e.g. international collaboration, ethical or reputational issues);
 - consider all prospective donations of £1M or more, and any other prospective donations with the potential to give rise to significant ethical or public interest and to advise Court as appropriate. To ensure the University has appropriate policies and guidance in place relating to the same;
 - consider and recommend to Court nominations for the award of University Benefactor.