



## Policy on Conflict of Interest

### 1. Introduction

The University recognises that its employees have diverse interests and contacts within the local, national and international community and it considers that links between its employees and outside bodies are often in the public interest as well as beneficial to the University and to individuals. However, it also recognises that it is possible that such connections may give rise to potential conflicts of interest.

The University recognises that, in general, individuals will recognise conflicts of interest and will want to ensure that there can be no perception of their receiving an inappropriate advantage and that they are personally beyond suspicion. It also recognises that, in most cases, potential conflicts of interest will be easily avoided or resolved by informal action either by the individual concerned or through discussion with his/her manager.

### 2. Purpose

The purpose of this Policy is to:

- assist in identifying conflicts of interest
- establish a system for disclosure of conflicts of interest
- provide guidance to those responsible for dealing with conflicts of interest
- assist in the resolution of conflicts of interest in order to protect the University and its employees.

The following University documents include provisions as to how employees should act in relation to conflict of interest in specific contexts, which must be followed:

- [Recruiters Guide](#)
- [Grading and Re-grading Processes and Principles](#)

Nothing in this policy should be interpreted to detract from statutory rights<sup>1</sup> or ethical responsibilities such as client confidentiality.

This policy applies to all employees of the University and relates to any actual, perceived or potential conflicts of interest arising in connection with University activities.

### 3. Principles

There is a need to balance the rights and responsibilities of employees and those of the University in relation to the management of conflict of interest.

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<sup>1</sup> In particular, employees have rights under the Public Interest Disclosure Act 1998, reflected in the University's Code of Practice on Reporting Malpractice (Whistleblowing).

Each employee has an obligation to act in the best interests of the University in relation to their University duties, activities and employment.

The University has obligations to its employees:

- not to interfere in their private concerns where these have no bearing on the legitimate interests of the University; and
- to deal with issues raised under this Policy in a prompt, fair, reasonable and objective manner, paying due attention to the effects of any actions on an employee's work, career and reputation.

The existence of an actual, perceived or potential conflict of interest does not necessarily imply wrongdoing on anyone's part. However, any private, personal or commercial interests which give rise to such a conflict of interest must be recognised, disclosed appropriately and either eliminated or properly managed.

#### 4. Definitions

**Conflict of Interest:** A situation in which an employee has a private or personal interest which is likely to appear to influence the objective exercise of an aspect(s) of his/her University duties. For the purpose of this Policy, the term 'conflict of interest' includes perceived and potential as well as actual conflicts of interest.

- a *perceived* conflict of interest is one which a reasonable person would consider likely to compromise objectivity
- a *potential* conflict of interest is a situation which could develop into an actual or perceived conflict of interest.

**Private, personal or commercial interest:** A financial or non-financial interest to the employee, or to a relative or friend of the employee.

- *Financial interest* refers to anything of non-trivial monetary value<sup>2</sup>, including, but not limited to, pay, commission, consultancy fees, equity interests, forgiveness of debt, property, royalties, and intellectual property rights.
- *Non-financial interest* refers to any non-financial benefit or advantage, including, but not limited to, enhancement of an individual's career, education or professional reputation; access to privileged information or facilities.

**Relative or friend:** Any member of an employee's close family (i.e. spouse, parents, siblings or children); his/her partner; close personal friends; or any other person with whom the employee has a relationship which is likely to appear, to a reasonable person, to influence his/her objectivity.

**The Reviewer:** The person to whom the conflict of interest has been disclosed.

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<sup>2</sup> What is considered non-trivial will depend on the circumstances. However, it should be noted that the code of practice on the receipt of gifts indicates that a single gift of a value greater than £50 should not normally be retained personally.

## **5. Determining a conflict of interest**

In order to determine whether a conflict of interest exists, it should be determined whether the private, personal or commercial interest is likely to interfere, or appear to interfere, with the objective judgement the employee should show in performing his/her University duties. An employee should ask him/herself if relevant others (e.g. managers, students, customers, colleagues, members of the public) would trust his/her judgement if they were in possession of the facts of the private, personal or commercial interest. Could others reasonably conclude that it might influence the employee to act other than in the interests of the University and in accordance with the Principles above?

Serious conflicts of interest include, but are not limited to, the following points.

5.1 An employee using his/her University position to:

- influence a contract or other favourable terms for a company in which he/she, or a relative or friend, had a financial interest;
- influence employment, promotion, admission to a course of study, educational progression or other financial or non-financial benefit for a relative or friend; or
- obtain financial or non-financial benefits for him/herself or for a relative or friend in return for providing advantage, or potential advantage.

5.2 An employee compromising research objectivity or independence in return for financial or non-financial benefit for him/herself or for a relative or friend.

5.3 An employee using University resources or confidential information obtained through his/her University position for personal financial or non-financial benefit, or benefit to a relative or friend.

5.4 An employee conducting business, employment or activity outwith the University, which adversely affects the employee's ability to perform his/her duties<sup>3</sup>.

If an employee believes there may be a conflict of interest, but is unsure, he/she should assume that there is a conflict of interest and act accordingly. Similarly, if a manager becomes aware of a possible conflict of interest, which the relevant employee appears not to have considered, he/she should bring it to the employee's attention for appropriate consideration.

## **6. Disclosure of a conflict of interest**

The responsibility for avoiding conflict of interest, in the first instance, lies with the individual employee. If a conflict of interest situation arises, the employee should disclose the conflict of interest, in full, and seek a resolution. He/she must then take no part in the matter(s) relating to that interest unless, and until such time, as the potential conflict is resolved in accordance with section 8 below.

Some University documents (see Section 9) include provisions as to how employees should act in relation to conflict of interest in specific contexts, which must be followed. In other situations, conflicts of interest should be disclosed to the employee's line manager, except where the interest relates to University activities outwith the control of that manager, in which case the conflict must be disclosed to the person responsible for those activities and the line manager should also be informed. Where there is any doubt who is responsible for the activity, disclosure should be made to the line manager. Where an employee identifies a potential conflict of interest, but does not wish to reveal the details to his/her line manager and has been unable to withdraw from the situation, he/she should seek advice from his/her College/Support Group HR Advisor.

Disclosure must include sufficient information to enable appropriate resolution, which is likely to include: the type of potential conflict of interest, the nature of the activity, a description of all parties involved, the potential financial or non-financial interests or benefits, and any other relevant information. The confidentiality of disclosures will be respected as far as possible; the information will only be shared with those with a need to know. The Reviewer must keep a written record of the disclosure and all subsequent related actions and decisions.

#### **7. Failure to disclose a conflict of interest**

Failure to disclose an actual or perceived conflict of interest, or to cease involvement in the situation until the conflict has been resolved, constitutes a breach of the employee's contract of employment and may result in disciplinary action, and in serious cases could result in dismissal. In determining whether disciplinary action is appropriate, consideration will be given to the extent to which the employee was aware of the actual or perceived conflict of interest and/or made a reasonable decision not to declare it.

#### **8. Resolution of conflicts of interest**

Once a conflict has been disclosed, the Reviewer is responsible for resolving the conflict of interest *as soon as is reasonably practicable*. Until that time, the employee must take no part in the particular activity relating to the potential conflict<sup>4</sup>. Every effort should be made to reach agreement with the employee regarding the solution. Resolution of the conflict may not go beyond the scope of the employee's contractual obligations (explicit or implicit) without the employee's agreement.

Advice should be sought from colleagues in the relevant professional areas, as appropriate.. Where the Reviewer is unable to decide how to resolve the conflict of interest, or, particularly in more significant cases, wishes to have the advice and authority of a more senior colleague (or where he/she also has a conflict of interest), the matter should be referred to his/her manager, who will then become the Reviewer.

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<sup>4</sup> It is assumed that non-involvement will affect only a small part of the employee's day to day duties, if any. If that is not the case, and it would have a major effect on the employee's current job, advice must be obtained from an HR Advisor before taking action which might be interpreted as being akin to suspension.

Where a resolution cannot be reached within one working week, the Reviewer must make a preliminary decision to either:

- permit the employee to continue the activity in the interim, possibly with modifications; or
- require the employee to continue to suspend involvement in the relevant activity pending final resolution.

The employee should be notified of the preliminary decision within one working week and reasons should be provided where he/she is required to continue to suspend involvement in the activity.

In most cases, the solution will be one of the following scenarios:-

- a) Agreement that there is no conflict of interest, or that it is not sufficient to be of any concern to the University.
- b) Agreement to allow the activity to continue with modifications. Options for modifications include:
  - disclosure of all pertinent information to other relevant individuals;
  - exclusion from, or third party review of, any decision-making/authorisation;
  - revisions to the research proposal or other plans;
  - reduction of involvement in the activity;
  - close monitoring of the activity;
  - termination of involvement by others (e.g. a relative or friend) in the activity;
  - divestiture of relevant personal interests; and/or
  - reimbursement by the employee to the University for indirect costs or for the use of facilities.
- c) The employee will cease to be involved in any way with the activity presenting the conflict of interest. Where no alternative can be agreed upon, this will be the solution, by default, provided that does not go beyond the scope of the employee's contractual obligations.

In any meeting for the purpose of agreeing a solution to the conflict, the employee is entitled to be accompanied by a trade union representative or a work colleague (employed by the University of Edinburgh).

Where agreement cannot be reached, and the employee is not satisfied with the decision, he/she may take the matter up through the Grievance Procedure.

In all cases, in order to protect the interests of the employee and the Reviewer, the Reviewer should keep a record of the disclosure and solution to the conflict of interest. Where a conflict of interest is ongoing, it is important that the current and future line managers are aware of it. The line manager (if different from the Reviewer) should be informed and should keep a record to pass to his/her successor (normally on the local personal file), with the knowledge of the employee.

## 9. Related Policies

- [Financial regulations](#)
- [Code of practice for staff on the receipt of gifts, hospitality & other benefits](#)
- [Register of Interests](#)
- [Disciplinary policy](#)
- [Intellectual Property](#)
- [Procedures for Consultancy](#)
- [Guidance on Engaging External Examiners](#)
- [Conditions of Employment](#) (particularly in relation to other employment)
- [Code of Practice on Reporting Malpractice and Raising Concerns under the Public Interest Disclosure Legislation \(Whistleblowing\)](#).

## 10. Document History

Agreed by Amicus, EAUT and Unison at autumn 2002 JCNCs. Approved by Staff Committee in October 2002 and by Court in December 2002. Minor updates made in July 2017 to fix weblinks and terminology. In the event of any significant change to legislation, this policy will be subject to immediate review. In the absence of such a change, the policy will be reviewed by December 2018.

## 11. Change Control Record

No.	Date:	Amendment made:
1.	May 2013	Minor amendment to updated web and related links
2.	July 2017	Minor amendments to update organisational references and to fix web links; removal of requirement of academics to seek express permission before taking up other employment

## 12. Alternative Format

If you require this document in an alternative format please contact [UHRS@ed.ac.uk](mailto:UHRS@ed.ac.uk) or telephone 0131 650 8127.