



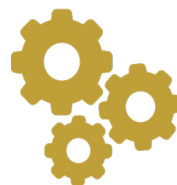
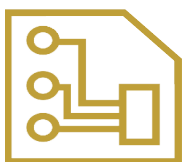
**Swansea University**  
**Prifysgol Abertawe**

**POLICY ON**  
**CONFLICTS OF INTEREST**  
**IN RESEARCH, CONSULTANCY**  
**AND IP COMMERCIALISATION**  
**ACTIVITIES**

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**RESEARCH, ENGAGEMENT &**  
**INNOVATION SERVICES**

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## **1. INTRODUCTION AND PURPOSES**

- 1.1.** Swansea University encourages its Staff Members to engage in activities that go beyond the traditional academic role and to establish links with charitable institutions, government, commerce and industry locally, nationally, and internationally. These external activities promote staff development and the reputation of the University and further, will advance regional economic development and public interest as a whole.
- 1.2.** By performing external activities, a Staff Member may be placed in a position in which an outside interest may conflict, or appear to conflict, with University duties. Such conflicts arise because of the situation, and even though the Staff Member is acting objectively, neutrally and with professional integrity, it may still appear that his or her decisions are influenced by personal or economic interests.
- 1.3.** This Policy does not cast aspersions on Staff Members but provides a mechanism to protect their reputation by establishing an objective set of principles regarding the management of conflicts.
- 1.4.** The purposes of this Policy are to:
  - (a) assist Staff Members in identifying Conflicts of Interest that arise in the areas of research consultancy and commercialisation of intellectual property;
  - (b) provide guidance to those who review and manage Conflicts of Interest; and
  - (c) incorporate transparency and probity in the management and resolution of Conflicts of Interest.
- 1.5.** To accompany this Policy, Procedures have been established for reporting, assessing and managing Conflicts of Interest and providing for oversight of the process.
- 1.6.** The University has policies relevant to other types of Conflicts of Interest that may arise. The University's Policy on Personal Consultancy Services addresses conflicts of commitment that occur when the private interest of a Staff Member may interfere with his or her responsibilities to the University, particularly in respect of the time and energy devoted to University activities. The University's "Code of Conduct on Personal Relationships" addresses conflicts that may arise because of personal relationships. Swansea University's "Research Committee Guidelines on Good Research Practice" provides a broad policy on research integrity. In its Fraud Policy, the University commits itself to openness, probity and accountability. Staff Members must comply with those policies in addition to this Policy.
- 1.7.** This Policy applies to all Staff Members and relates to Conflicts of Interest arising in connection with research, consultancy or the commercialisation of intellectual property of the University.

## 2. DEFINITIONS

**2.1.** "Authoriser" means the person identified in the table below:

<b>Authoriser</b>	<b>Staff Member</b>
Chair of Council	Vice Chancellor
Vice Chancellor	Registrar and Pro Vice Chancellors
Pro Vice Chancellor (as appropriate)	Executive Dean or nominee
Registrar	Senior Administrators and Heads of Non-Faculty/School Based Departments
Executive Dean or nominee	Academic, academic-related, research or technical staff, or others line-managed by the relevant Executive Dean or nominee
Heads of Institute	Those who are line-managed by the relevant Head of Institute
Senior Administrator	Those who are line-managed within the relevant administrative division

**2.2.** "Commercialise" means to realise commercial or financial benefit through the exploitation of intellectual property, and "Commercialisation" shall be interpreted accordingly.

**2.3.** "Conflict of Interest" means an interest that has the potential to compromise or bias the professional judgement or objectivity of the holder of the interest, or has the appearance of having the potential to compromise or bias the professional judgement or the objectivity of the holder of the interest.

**2.4.** "Director" means the Director of the Research, Engagement & Innovation Services Department (or such other person as may be specified by the Vice-Chancellor from time to time).

**2.5.** "External Appointment" means any appointment which results in a Staff Member or any Related Party of that Staff Member holding office (whether pursuant to a contract of employment or otherwise) as a director, officer or trustee, or such similar position which gives rise to a fiduciary duty to act in the best interests of the external entity in which such an appointment is held.

**2.6.** "Financial Interest" means a financial interest of a Staff Member in the form of Payments, Investments, or IP Revenue, or the expectation or possibility of future Payments, Investments or IP Revenue; or a similar financial interest of a Related Party of the Staff Member which is known by the Staff Member.

**2.7.** "Insignificant Financial Interest" means:

- i. In respect of an Investment. Where a Financial Interest consists of an investment, the University will consider it as insignificant if all of the following conditions are met:

- (a) the Investment is in a company that is listed on a recognised stock exchange;
  - (b) the value of the shares does not exceed £5000 of the Staff Member's salary at any time; and
  - (c) there is no relationship or connection, explicit or implicit, between the acquisition of the shares and any research to be conducted for that company.
- ii. In respect of a Payment. Where the Financial Interest is in the nature of a payment, it will be treated as insignificant if the Payments are less than £5000 in any twelve month period in the aggregate from all sources, and that the payment of the consultancy fee is not related or connected in any way on a proposed relationship between the University and the relevant undertaking. Gifts and hospitality expenses paid by a company may contribute to a Conflict of Interest.

**2.8.** "Investments" means any interest in shares, share options, warrants and other securities and interests in an external undertaking, and the term 'investment' shall be construed accordingly.

**2.9.** "IP Revenue" means revenue related to the commercialisation and exploitation of intellectual property such as licensing fees, royalties, and other types of revenue sharing arrangements (excluding those made pursuant to the University's Intellectual Property Policy).

**2.10.** "Payments" means payments for services including consulting fees, director's fees, stipends and honoraria, or payments in kind, forgiveness of debt, property, intellectual property, revenues derived from intellectual property such as licensing fees or royalties, or other items of value.

**2.11.** "Procedures" means the "Procedures for Managing Conflicts of Interest in Research Consultancy and Commercialisation Activities."

**2.12.** "Related Party" means a Staff Member's immediate family (i.e. spouse, parents, siblings or children); partner; close personal friends; and any other person with whom a Staff Member has a relationship which is likely to appear to a reasonable person to influence the Staff Member's objectivity.

**2.13.** "Staff Member" means a member of University staff, including students when acting as a Staff Member.

**2.14.** "University Spin-Out" means a company to which the University has assigned or licensed intellectual property and in which the University had an equity interest.

### **3. PRINCIPLES**

**3.1.** The University expects Staff Members to act, and believes that they do so, with probity.

- 3.2.** It is recognised that the existence of an actual or perceived Conflict of Interest arises from a situation and is rarely the product of, or indicative of, any wrongdoing. However, it is important that Conflicts of Interests are disclosed and managed.
- 3.3.** The University must deal with Conflicts of Interests in a prompt, fair, reasonable and objective manner, with due consideration of the impact on a Staff Member's work, career and reputation.
- 3.4.** A student's education must not be negatively impacted because of the interest of a research sponsor.
- 3.5.** A Staff Member has an obligation to act in the best interests of the University in performance of his or her University duties and activities, including research and consultancy.
- 3.6.** A Staff Member should only be compensated for research in his/her core area of research through the University, and should not conduct research under circumstances in which a reasonable person could believe that the research is affected by an expectation of direct or indirect financial gain other than in accordance with the University's policies.
- 3.7.** Staff Members must publish their research results in a comprehensive, non-biased and timely manner.
- 3.8.** University resources, including staff time, should only be used for University purposes and activities and not for personal businesses, commercial or consulting activities, save where otherwise agreed by the University in writing.

#### **4. CONFLICTS OF INTEREST**

**4.1.** A Conflict of Interest exists if a reasonable person (e.g. a manager, a student, a collaborator, a colleague, a member of the public, a research sponsor or a regulator) believes that the actions and judgements of the Staff Member are likely to be influenced by a Financial Interest or an External Appointment.

**4.2.** Areas impacted by Conflicts of Interest in research consultancy and commercialisation activities are:

**4.2.1.** The University's Educational Mission

The principal mission of Swansea University is the education of its students. Staff Members involved in the education, training, or supervision of a student, or the direction, evaluation or grading of a student's work ("educational activities") must ensure that these educational activities are performed to the best of their ability without any Financial Interest or External Appointment detracting from these educational activities.

**4.2.2.** Research Integrity

Staff Members must adhere to the highest ethical standards of scientific integrity. If a researcher has a Conflict of Interest relating to research activities, integrity alone may be insufficient to protect the researcher and

the University from suspicion and damage to reputation. Various aspects of the research may be impacted by a Conflict of Interest such as the choice of research, its design and protocols, the conduct of the research, the interpretation of results, or the publication and reporting of such results.

#### **4.2.3. Public Accountability/ Use of Public Funding**

The University as a public body receives public funding, and it is inappropriate to use its resources for the purposes of performing research, consultancy or commercialisation activities that will result in private gain to the Staff Member except in accordance with University policy.

## **5. EXAMPLES OF CONFLICTS OF INTEREST**

This Policy cannot address all conceivable Conflicts of Interest, however some examples of actions that may typically give rise to a conflict are set out below:

- i.** Acting as an academic supervisor, either for students or post doctoral candidates, in a research project where the research is sponsored by an external entity in which the supervisor has a Financial Interest or External Appointment.
- ii.** Performing educational activities for a student when the Staff Member has a Financial Interest or External Appointment in an external entity which is owned or controlled by the student.
- iii.** Participating in research sponsored by an external entity in which the Staff Member has a Financial Interest or External Appointment.
- iv.** Performing research which may affect the value of intellectual property owned by or licensed to the Staff Member.
- v.** Conducting research externally that would normally be conducted by the University.
- vi.** Conducting research or consultancy on a private basis when that research or consultancy should be conducted by the University, unless the University has indicated that it does not wish to engage in such research or consultancy.
- vii.** Performing research on intellectual property owned or licensed to an external entity, if the researcher has a Financial Interest or External Appointment in the external entity.
- viii.** Agreeing to perform consultancy under terms and conditions that might preclude the Staff Member or the University from working on related research or consultancy being conducted by the University.
- ix.** Engaging in consultancy work that might cause substantial absences from the University and increase the work load on other Staff Members.
- x.** Using or disclosing confidential information of the University or a third party to other organisations that sponsor research or consultancy work for the Staff Member.
- xi.** Performing research on behalf of an external entity in which a Related Party has an Investment or from which a Related Party receives Payments.

## **6. DISCLOSURES OF A FINANCIAL INTEREST AND EXTERNAL APPOINTMENT**

**6.1.** A Staff Member must make the following disclosures:

## **6.2. Annual Disclosures**

All Staff Members must complete the “Declaration of Outside Interests by Staff” (as it may be varied from time to time) annually and at such other times during the course of the year when necessary to reflect a significant change in a Staff Member’s circumstances.

## **6.3. Specific Disclosures**

To ensure that any possible Conflicts of Interest are identified and managed at an early stage, each Staff Member must make a Specific Disclosure of any Financial Interest and/or External Appointment that is relevant to proposed or on-going research, consultancy or commercialisation activity. A Financial Interest must be disclosed, regardless of whether it is deemed insignificant, under the provisions of this Policy. The Procedures will establish specific requirements related to specific disclosures.

## **6.4. Public Disclosures**

**6.4.1.** A Staff Member formally discussing or commenting on research results must disclose any Financial Interests or External Appointments in an external entity affected by the research. This requirement extends to any discussion or comments that may be publicly distributed in any media such as television or radio programmes, newspapers, or electronic media, or in discussions or comments made before the public.

**6.4.2.** A Staff Member must comply with any specific requirements regarding Conflicts of Interest that may be imposed by a relevant third party (e.g. academic or professional publications, or conference organisers).

# **7. COMMERCIAL ACTIVITIES**

## **7.1. Principles of Staff Member Involvement in Commercialisation Activities**

Commercialisation activities are particularly susceptible to Conflicts of Interest because of the possibility of direct financial benefits accruing to Staff Members coupled with the potential use of public funding being used for improper personal gain. The following rules apply in commercialisation activities:

**7.1.1.** Staff Members may hold an Investment in a University Spin-Out and may receive Payments from the Spin-Out but must disclose them.

**7.1.2.** Staff Members may serve as a Director, hold other External Appointments of a non-executive nature, or serve as a consultant in a University Spin-Out with the consent of the Director, subject to any special conditions imposed by the Director, and in compliance with other relevant University policies.

**7.1.3.** Full-time Staff Members may not serve as senior managers of a University Spin-Out without the prior written consent of the Director.

## **7.2. An External Entity's Use Of University Resources**

**7.2.1.** An external entity may not use University space, unless the space has generally been reserved for such use (for example, a business incubation centre).

**7.2.2.** In all cases in which University resources are used or research is performed on behalf of an external entity in which the Staff Member has an Investment or External Appointment, the University shall be fully compensated for providing the resources.

## **8. ADMINISTRATIVE STAFF**

**8.1.** Staff Members involved in the negotiation and administration of research grants and contracts, consultancy contracts and commercialisation activities are subject to special, more stringent requirements. These Staff Members (for example, members of the Research, Engagement & Innovation Services Department, or technology transfer or commercial officers of the Faculty/School) must be able to negotiate and administer research, consultancy or commercialisation activities in the best interest of the University without Conflicts of Interest.

**8.2.** An administrative Staff Member nominated by the University to an External Appointment shall be deemed to accept the nomination in the discharge of his or her duties as a Staff Member of the University, and shall not accept any Payments from the external entity unless authorised in writing by the Director.

**8.3.** An administrative Staff Member shall not hold an Investment in, or receive Payments from, an external entity (1) which was established as a result of the administrative Staff Member's work in the University, or (2) which has a contractual relationship with the University related to research, consultancy, or IP commercialisation. This prohibition does not apply to shares which are purchased subsequent to the listing of the external entity on a recognised stock exchange.

## **9. MANAGEMENT OF CONFLICTS IN RESEARCH, CONSULTANCY AND COMMERCIALISATION ACTIVITIES AND DISPUTE RESOLUTION**

**9.1.** The Director has primary responsibility for the management of conflicts in research activity. The Director's responsibilities are established in the Procedures.

**9.2.** A Staff Member shall have the right to appeal the Director's decisions to a panel composed of a lay member of Council, a representative appointed by the President of the University and Faculty/School Union, and a Pro-Vice Chancellor. The dispute and its resolution and justification shall be recorded. A generalised record shall be made available upon request of a University employee, however, the report shall be generalised so it will not disclose confidential information.



**9.3.** In the event a Staff Member alleges that the University has not complied with this Policy and its Procedures, he or she may request that the matter be resolved by an arbitrator to be agreed upon between the University and the Staff Member, or if they are unable to agree on the identity of the person within one calendar month of the request to arbitrate, by an arbitrator appointed by the President of the Law Society of England and Wales. The arbitration will take place in Swansea and be conducted according to laws of England and Wales. The decision of the arbitrator shall be binding on the University and the Staff Member and the costs shall be borne as decided by the expert. Either party would be free to bring proceedings in the Courts in order to seek mandatory, declaratory or other relief which is not available from an arbitrator.

## **10. DEVIATIONS FROM THIS POLICY**

The Vice-Chancellor may, upon request of the Monitoring Panel, approve a deviation from this Policy when justified by the University's interests as long as the principles of probity and transparency are maintained.

## **11. IMPLEMENTATION**

The Registrar shall have wide authority and discretion within the confines of (1) the University's Charter and any Regulations, Ordinances or other provisions made by Council, (2) this Policy, and (3) any directions given by or on behalf of the Vice-Chancellor to adopt administrative processes, guidance, forms and interpretations necessary to effectively implement this Policy and the Procedures

**Ceri Jones, Director  
Research, Engagement and Innovation Services  
June 2017**



**Swansea University**  
**Prifysgol Abertawe**

**REIS COMMERCIAL SERVICES UNIT**

**CAN HELP WITH YOUR**  
**BUSINESS ENGAGEMENT AND**  
**COMMERCIALISATION ENQUIRIES**

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