

Balliol College: Code on the Handling of Conflict of Interests

Balliol College is committed to managing possible conflicts of interest transparently. In accordance with the guidance issued by the Charity Commission, the College has adopted a policy describing the way in which it deals with any conflicts of interest to which Fellows (as trustees) may be subject as a result of their involvement in the work and decision-making processes of the charity.¹

All Fellows are in a fiduciary relationship with the College and therefore must act, as their overriding duty, *wholly and exclusively in the best interests of the College* when participating in any aspect of its management and government. This duty is made clear to Fellows upon appointment.

Neither the Master nor any Fellows who are members of the governing body ('College Meeting') shall receive any pecuniary emolument in their capacity as Fellows (Trustees) of the College; but reasonable remuneration may be paid to the Master and to any Fellow in respect of work undertaken for the College in furtherance of its charitable objects. Other reasonable benefits, including housing and academic allowances and the provision of Common Table, as authorised by the Statutes, may be provided for tutors, lecturers, researchers, and officers of the College, and any person who otherwise furthers its charitable objects. These emoluments and benefits, and any annual increments, shall be as the Master and Fellows may determine, acting upon the advice of the Remuneration Committee. In all cases of doubt, the matter should be referred to the Remuneration Committee, which will, through the Master, advise College Meeting.

Remuneration and benefits for persons connected with Fellows may be provided if they are for tasks that are generally undertaken within the College (e.g. tuition, examining, undergraduate admissions); or where the amount in question is modest and, in the judgment of the Master and Finance Bursar, advantageous to the College and not unduly advantageous to the Fellow or connected person; or where, if the case is in doubt, they are approved by College Meeting; or where they otherwise meet the requirements of the Charities Act 2006. In all cases of doubt, the matter should be referred to the Remuneration Committee, which will, through the Master, advise College Meeting.

Conflicts of interest are principally managed in four ways:

(a) The payment of remuneration or provision of benefits to Fellows is subject to

¹ The arrangements described for meetings set out in the Code apply to all committees, working parties, and other bodies constituted by College Meeting or Tutorial Board, as well as to College Meeting.

- recommendations from a Remuneration Committee;
- (b) Every Fellow having a material interest shall declare that at any meeting in which it relates to the business under discussion;
 - (c) Provision is made for Fellows to absent themselves from a meeting (or not to vote) where they have a material interest; and
 - (d) The College maintains an up-dated register of Fellows' material interests.

Further to those governing principles:

(1) *The Remuneration Committee*, which is chaired by an external member and has a majority of external members (i.e. people who are not employees of the College), is established under the College's Statutes. Its composition, activity, and purpose are described in section VIII.

(2) *Declaring Interests*. Any Fellow who has a material interest in any matter of business before College Meeting shall declare the interest at the beginning of each meeting at which that business is under consideration or before the discussion of that business. (There is no need to declare an interest which is overt on the agenda – such as a re-election – or one which appears on the College's register of interests.) Where a Fellow declares an interest, that fact shall be recorded in the minutes of the meeting.²

Accordingly, every College meeting agenda paper should contain, in some prominent position, the following wording:

Members of College Meeting/ XYZ Committee are reminded of the College's code on the conflict of interests (available at <http://www.balliol.ox.ac.uk/current-members/policies-and-statutes>) which requires them to declare any possible material interests that could give rise to conflict in relation to any item under discussion. All interests so disclosed will be recorded in the minutes of the Committee. The member may be required to absent himself or herself from all or part of the Committee's discussion of the matter at the discretion of the Chair.

A material interest is any matter which may influence the judgment of the person who has that interest, or which may reasonably appear to be capable of influencing that person's judgment, so that his or her judgment may not be exercised wholly and exclusively in the interests of the College. A Fellow whose partner or close family members may benefit from any matter of business also has a material interest.

(3) *Withdrawing*. If the material interest in question is a pecuniary interest, then the Fellow declaring it shall withdraw from any meeting when the business is under consideration, and shall not speak on the matter, unless invited to do so by a resolution of College Meeting; and in any such case he or she shall be required to withdraw following his or her contribution. In no case shall the Fellow vote on the matter. If the material interest is not a pecuniary interest, then the Fellow declaring it shall withdraw from any meeting at which the business is under consideration, and shall not speak or vote on the matter, unless College Meeting has for good reason resolved to the contrary. Any resolution allowing the Fellow not to withdraw, or allowing him or her to vote, shall be recorded in the minutes. If there is doubt whether a declared interest is indeed material, College Meeting shall determine it in the absence of the Fellow or Fellows concerned, after hearing his or her views, and its decision shall be final.

² The obligations of Fellows as described in this Code fall also upon the Master.

(d) *Register of Interests.* Fellows shall register their material interests with the Fellow for Charity Matters. Fellows should notify the Fellow for Charity Matters of any new material interest whenever such an interest arises so that the register can be amended, and they should in any case confirm their entry on the register annually at the beginning of the academic year. Fellows do not need to declare as interests a joint appointment in the University, but remunerated University positions which are not part of a joint contract should be declared. The register of interests shall be kept in the office of the Master's PA and will be available for inspection by any Fellow.

Fellow for Charity Matters
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