



# Template conflict of interest policy and procedure

*This document is a template policy for organisations providing NDIS supports to people with a psychosocial disability. This template should be used as a guide and tailored to suit individual organisations. The Transition Support Project believes that the information contained in this publication is correct at the time of publishing (June 2020). The content of this policy was developed to comply with the legislation and guidance referenced in section 4 of this document (policy connections). Before using this template, check changes to any relevant legislation. The purple italic text should be deleted from the final version of your document.*

## 1. Policy

### 1.1 Purpose

This policy provides a framework for *[insert organisation]* to effectively identify, disclose, and manage any actual, potential, or perceived conflicts of interest. This is in order to safeguard consumers, protect the integrity of *[insert organisation]*, and manage risk.

### 1.2 Scope

This policy applies to all *[insert organisation]* board members and workers. The term worker includes permanent and casual employees, contract workers, temporary agency workers, students and volunteers.

### 1.3 Policy statement

*[insert organisation]* actively identifies and manages conflicts of interest so they do not affect the services, activities or decisions of the organisation. *[insert organisation]* recognises that conflicts of interest arise, and do not need to present a problem to the organisation if they are openly and effectively managed.

As part of its commitment to providing high quality services, *[insert organisation]* and its workers will:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- actively manage any conflicts of interest
- comply with this policy and respond to any breaches.

### 1.4 Guiding principles

*[insert organisation]* acts in the best interest of participants, safeguarding them from potential discrimination, exploitation, abuse, harm, neglect, and violence.

*[insert organisation]* plans, delivers and reviews services in collaboration with participants and their families, friends, and carers, supporting a person's right to exercise choice and control.



*[insert organisation]* has mechanisms in place to ensure all any actual, potential, or perceived conflicts of interest are declared, documented, managed, and monitored.

*[insert organisation]* workers treat all participants equally and ensure that no participant is given preferential treatment, above another, in the receipt or provision of supports. Workers must not seek or receive any personal or financial benefit as a result of their work, including gifts or rewards.

### 1.5 Definitions

**Conflict of interest:** A person or business that derives real or apparent benefit from actions or decisions made in their official capacity. Conflicts may be actual, potential, or perceived.

**Actual conflict of interest:** There is a real conflict between a person or business's official duties and private interests.

**Potential conflict of interest:** A person or business has private interests that could conflict with their official *[insert organisation]* duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate the risk.

**Perceived conflict of interest:** The public or a third party could form the view that a person or business's private interests could improperly influence their decisions or actions, now or in the future.

**Personal interest:** Refers to a person or business's own interests and those of their family and friends and/or any organisations they support or are involved with.

**Benefit:** Any product, service, or advantage given to a person due to their work. This can include money, gift cards, gifts or discounts or favourable treatment.

### 1.6 Responsibilities

All *[insert organisation]* board members and workers are responsible for complying with this policy and declaring any personal interests, which must be documented in writing. Information arising from conflict of interest disclosures will be managed in accordance with the *[insert organisation]* privacy policy and procedure. There are additional roles and responsibilities at each level of the organisation.

#### The board

Board members must disclose any actual, potential or perceived conflicts of interests as they arise. Conflict of interest is a standing agenda item at board meetings and disclosures are recorded in the meeting minutes, detailing the name of the board director with the conflict, the type of conflict and how the board managed it.

The board should also monitor and review *[insert organisation]'s* conflict of interest register, ensuring all items are appropriately managed.

#### CEO and executive team

The CEO and executive team monitor and review the conflict of interest register, ensure this policy is being followed, and model integrity and transparent behaviour.



*[insert role]* is responsible for ensuring that, prior to engaging an independent contractor and or auditor, potential conflicts of interest are explored and managed accordingly.

### **Managers and team leaders**

The manager responsible for risk management at *[insert organisation]* maintains the conflict of interest register.

The *[insert manager responsible for inducting new staff]* ensures that conflict of interest is explained to staff during induction, including potential conflicts arising from multiple employers, personal relationships, and gifts. Information and practical guidance on managing conflicts is also provided.

All managers and team leaders should:

- provide direction in implementing this policy and model expected behaviour
- participate in conflict of interest resolution with their team
- manage breaches to this policy
- ensure their teams have the information required to comply with all relevant legislation, operational guidelines, or instructions about conflict of interest from funding and regulatory bodies.

### **Workers involved in direct service delivery**

All workers involved in direct service delivery are responsible for ensuring:

- participants and families are informed of *[insert organisation]'s* conflict of interest policy, prior to commencing services, they are given the opportunity to ask questions, and are updated if there are any changes to this policy
- participants and families are informed of any actual, potential or perceived conflicts of interest that affect, or may affect, their services
- participants and families are provided with enough information about support options, including services not delivered by *[insert organisation]*, allowing choice and control
- they have the information required to comply with all relevant legislation, operational guidelines, or instructions about conflict of interest from funding and regulatory bodies.

### **1.7 Monitoring and review**

*The size and governance structure of an organisation will determine who is responsible for the conflict of interest policy. It is recommended that the board, audit and risk committee and CEO are involved in the monitoring and review of the conflict of interest policy.*

The *[insert roles responsible]* will review this policy annually to ensure its continued application and relevance. Individual conflicts will be monitored, reviewed, and updated on the conflict of interest register as required. All conflicts will be reviewed at least annually.



## 2. Procedure

This procedure sets out the steps required to achieve the expectations laid out in the above policy. Conflicts arise in numerous circumstances. Regardless of the type of conflict, all conflicts must be declared so that they may be managed appropriately. Examples of scenarios where conflicts may occur include:

- relationship with family or friends
- staff recruitment
- work activities outside *[insert organisation]* (paid/unpaid)
- personal relationships with internal and/or external parties
- financial interest
- disposal of assets
- gifts/benefits
- provision of external consultancy services
- procurement of goods and services.

### 2.1 Disclosing conflicts of interest

All actual, potential, or perceived conflicts of interest are to be reported to the relevant line manager as soon as possible, by the worker involved in, or identifying, the conflict. This should be via the quickest and most effective method available. The worker must also submit a conflict of interest declaration form to their line manager, within 48 hours of identifying the conflict.

If a worker has knowledge that a conflict of interest involving another worker may exist that may not have been disclosed, they should discuss the situation with their line manager and follow *[insert organisation]* whistleblowing policy and procedure.

The line manager should liaise with the manager responsible for risk management to determine how the conflict of interest will be managed and by whom.

The relevant manager must inform the CEO immediately if the conflict poses an immediate risk to a worker, consumer, member or the public, or the integrity or reputation of the organisation. If the CEO is unavailable, an executive manager should be informed. The CEO, or their delegate, will take action to reduce the risk to an acceptable level.

When board directors or sub-committee members have a conflict of interest, the conflict is reported to the meeting members and recorded in the meeting minutes, as per the relevant charter/terms of business.

### 2.2 Management plan

The line manager, manager responsible for risk management and worker involved in the conflict of interest are responsible for developing a management plan.



The four recommended responses are:

**Avoid the conflict of interest:** This is the preferred response when a conflict poses an unacceptable risk to, or impact on, a worker, consumer, member of the public, or the organisation. To avoid a conflict of interest, the worker concerned may be removed from the situation causing conflict or asked to relinquish the private interest creating the conflict.

**Accept and reduce the conflict of interest:** A conflict of interest may be reduced by ensuring that the worker concerned has restrictions placed on their involvement in the relevant matter, or that another worker or organisational area takes responsibility for the matter.

**Share the conflict of interest:** A conflict of interest may be shared by involving a third party to oversee part, or all, of the decision-making process that deals with the relevant matter.

**Retain the conflict of interest:** A conflict of interest may be retained, and the worker continues to be involved in the matter concerned, subject to a regular review of the situation. This response is only suitable for low risk conflicts of interest.

## 2.3 Communicate

The relevant manager must communicate actual, potential, or perceived conflict of interests to all affected individuals and/or organisations, including information on:

- how the individual and/or organisation is affected
- any risks associated with the conflict
- how *[insert organisation]* is managing the conflict.

*[insert organisation]* must also:

- update the individual and/or organisation if there are any changes to the conflict
- use the language, mode of communication and terms that the individual and/or organisation is most likely to understand.

## 2.4 Monitor and review

The manager responsible for risk management must:

- enter all new conflicts of interest on to the conflict of interest register, updating as required
- maintain the register, ensuring all conflicts are reviewed at least annually
- review the register on a monthly basis and provide a summary report to the CEO and executive management team.

The CEO, or their delegate, will:

- report new, or changed, conflicts of interest to the board at each board meeting, as part of the CEO's report
- provide the full conflict of interest register to the board on a six-monthly basis for review.

All conflict must be reviewed on at least an annual basis, to ensure that the information remains correct, and that the management responses continue to be appropriate and effective.





## 2.5 Managing conflict of interest in plan management and support coordination <delete if not applicable>

*[Where separation of support coordination and plan management teams from other NDIS service teams is possible]*

The *[insert team/role]* is responsible for plan management and support coordination only.

The team reports to *[insert role]* and does not report to operational management.

*[insert organisation]* support coordinators and/or plan managers will:

- provide participants with a minimum of three choices (where possible) about providers of supports, including services not provided by *[insert organisation]*
- not influence participants to select *[insert organisation]* services
- ensure the participant understands that any choice they make about providers of other supports will not impact on the provision of the support coordination or plan management services
- document internal referrals and referrals to and from other providers, for each participant
- document the advice given to participants in their electronic file.

*[where complete separation of functions is not possible]*

*[insert organisation]* support coordinators and/or plan managers will:

- maintain the organisation's risk register and conflict of interest register including the ongoing potential conflict of interest
- inform participants of the potential conflict of interest of *[insert organisation]* being both a plan manager and/or support coordinator and a provider of other supports
- confirm that the organisation will act as directed by the participant and in the best interests of the participant
- ***[example only, where other providers are available]:*** provide participants with a range of choices (where possible) about providers of supports, including services not provided by *[insert organisation]*
- not influence participants to select *[insert organisation]* services
- ensure the participant understands that any choice they make about providers of other supports will not impact on the provision of the support coordination or plan management services
- ***[example only, where other providers are not available, such as a country town which only has one provider]:***
  - present participants with options regarding self-management, and/or
  - emphasise feedback and complaint mechanisms and the right to support from an advocate should the participant have any concerns about supports provided
- document internal referrals and referrals to and from other providers, for each participant
- document the advice given to participants in their electronic file.

## 2.6 Conflict of interest and support independent living <delete if not applicable>

Providers offering supported independent living services and other NDIS services have additional obligations to manage conflict of interest. These are:

- to support participants to understand the difference between specialist disability accommodation and other NDIS supports delivered in the residence



- to ensure the participant understands that their housing rights, including the security of contract, are not affected by their choice in service provider for other supports in their NDIS plan
- if the provider is also providing specialist disability accommodation services and other NDIS supports to the same participant, there must be two separate service agreements.

### 3. Related organisational documents

- Code of conduct
- Gifts and benefits policy
- Whistle blower policy
- Conflict of interest register
- Conflict of interest declaration form
- Risk management policy and procedure
- Risk register
- Privacy policy and procedure

*Insert any additional internal policies, procedures, forms, templates, guidelines, or committee terms of reference that are related to this policy.*

### 4. Policy connections

- [National Standards for Mental Health Services 2010](#)
- [NDIS Code of Conduct Rules 2018](#)
- [NDIS \(Provider Registration and Practice Standards\) Rules 2018](#)
- [Disability Services Act \(National Standards for Disability Services\) Determination 2014](#)
- [Corporations Act 2001](#)

*Insert additional legislative documents (e.g. acts, regulations, standards), government policy relevant to your organisation.*

### 5. Document revision

<b>Version</b>	<i>Version number</i>
Original approval date and authority	<i>Relevant approval authority and first approved date DD/MM/YYYY</i>
Reviewed by	<i>Title of person reviewing the policy document, usually the policy owner</i>
Review frequency	<i>Frequency of review as per the policy register</i>
Owner	<i>Position title of person with overarching responsibility for development, monitoring and review of a policy document</i>
Approved by	<i>The relevant board, CEO or the appropriate committee who is delegated authority to approve the establishment of, amendment to, or termination of a policy</i>
Date ratified	<i>Last approval date DD/MM/YYYY</i>
Review date	<i>Next review date MM/YYYY</i>