

# Conflicts of interest

## Human Resources Guideline E17 (QH-GDL-980-1)

### Purpose

The purpose of this guideline is to provide further information about conflicts of interest. This guideline should be read in conjunction with *HR Policy E17 - Conflicts of interest*.

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## 1 What you may need to declare

Interests to be considered by employees (including an interest held by their partner or dependants) as to whether they create an actual, perceived or potential conflict of interest include the following:

- shareholdings in public and private companies
- family and business trusts and nominee companies
- bonds, debentures and like investments
- savings and investment accounts
- business partnerships
- real estate
- directorships in, or other employment by a public or private company or other business entity (e.g., sole trader)
- other assets
- other substantial sources of income
- liabilities
- organisational memberships (excluding membership of an industrial organisation)
- other interests (any other matter an employee, their partner, or dependant has an interest in, of a pecuniary or non-pecuniary nature, that the employee identifies as presenting an actual, perceived or potential conflict of interest)



- May include the declaration of a close family member (other than a partner or dependant), a close personal associate or a former partner, where that relationship creates an actual perceived or potential conflict of interest.

## 2 What you do not need to declare

Generally, the following are not required to be declared, however if in doubt, the employee should discuss the matter with their line manager or other relevant officer or person:

- income as an employee of Queensland Health
- ordinary non-interest-bearing cheque accounts
- credit card accounts
- credit accounts held with department stores
- personal use motor vehicles
- collections (e.g., stamp collections)
- household and personal effects
- if the employee, their partner or dependants have trustee responsibilities as executor or trustee but are not beneficiaries, of a deceased estate, shareholdings, real estate and beneficial interests
- standard memberships of industrial organisations
- standard memberships of political parties.

## 3 Scenarios

A conflict between public duty and private interests is not always avoidable, as employees are also private citizens with private interests. Possible scenarios of private interests and activities that could come into conflict with official duties include:

Conflict typology	Scenarios of wrongdoing (misconduct) and conflicts of interest
Secondary employment	<p><b>SCENARIO:</b> In addition to their Queensland Health employment, an employee runs their own small business. Each morning they divert their personal mobile (i.e., their business phone number) to their Queensland Health work phone. They receive regular calls relating to their private business on their Queensland Health work phone and spend extended periods of Queensland Health work time responding to private business calls during the day whilst they are being paid to work for Queensland Health.</p> <p><b>ANALYSIS:</b> Placing the needs of the personal interest (the private small business) ahead of their official duties and responsibilities is a conflict of interest. The diversion of the personal phone to the work phone is wrongdoing. The use of Queensland Health resources for private use is also wrongdoing.</p>
	<p><b>SCENARIO:</b> An employee works full-time Monday to Friday for Queensland Health and are also registered with a private employment agency. On Tuesday the employee is contacted by the agency and offered work for the next three days. For each of the next three days the employee calls in sick each morning to their Queensland Health line</p>

	<p>manager. Meanwhile, they are undertaking casual work at a private company on those days, as arranged through the employment agency.</p> <p><b>ANALYSIS:</b> Placing the needs of the personal interest (casual work) ahead of their full time employment duties and responsibilities is a conflict of interest. Being paid twice (casual work and sick leave pay) for the same period of time is wrongdoing. Claiming sick leave for a period you are not sick is also wrongdoing.</p>
Relationships, bias and personal interest	<p><b>SCENARIO:</b> An employee gives preferential rostering to a team member who is also a close friend.</p> <p><b>ANALYSIS:</b> The conflict of interest is that the employee's private interest (treating their close friend more favourably than others in the team) has improperly influenced the performance of the employee's official duties as they have not rostered in a fair and equitable manner.</p>
	<p><b>SCENARIO:</b> An employee who is a line manager and a delegate, always rewards one particular employee with higher duties opportunities, over other employees who are equally deserving. That particular employee is the line manager's sister-in-law.</p> <p><b>ANALYSIS:</b> The conflict of interest is that the line manager's private interest (treating their sister-in-law more favourably than others in the team) has improperly influenced the performance of their official duties as they have awarded higher duties in a fair and equitable manner.</p>
	<p><b>SCENARIO:</b> An employee who is a delegate has a personal relationship (partner) with a member of their team. The delegate approves for their partner to attend an interstate conference. The delegate will also be attending the conference.</p> <p><b>ANALYSIS:</b> The conflict of interest is the delegate placed their personal interest (relationship) above their official duties by letting the relationship improperly influence their decision. Due to the personal relationship, a higher delegate should have been accountable for the conference approval process.</p>
Procurement and contract management	<p><b>SCENARIO:</b> A supply arrangement is due to expire. An employee, a key manager who uses the arrangement, accepts a custom Christmas hamper (valued at \$500) from one of the preferred suppliers (third party). The supplier subsequently asks the employee to be a referee for their new tender application. The employee agrees.</p> <p><b>ANALYSIS:</b> Accepting the hamper is wrongdoing and providing the referee report is a conflict of interest. A pecuniary benefit (hamper) from a third party was improperly accepted, and the employee agreed to provide a benefit (referee report) to the third party. Further, the employee failed to register the hamper on the Gifts and Benefits Register.</p>
	<p><b>SCENARIO:</b> An employee who took part in the evaluation and selection of a supplier of healthcare products failed to disclose they have shares in one of the companies shortlisted for the contract.</p> <p><b>ANALYSIS:</b> The conflict of interest is that the employee could indirectly gain a pecuniary benefit from the supplier being awarded the contract. The employee should have disclosed the conflict of interest that might affect or be perceived to affect, the proper performance of their duties and responsibilities.</p>

<p>Access to information</p>	<p><b>SCENARIO:</b> An employee’s partner operates a consultancy. The employee is aware of some upcoming consultancy opportunities. Unbeknownst to the senior director of the employee’s work area, the employee provides their partner with details on the scope of the work required and the senior director’s contact email, work phone and mobile numbers.</p> <p><b>ANALYSIS:</b> Providing the partner with the scope of work and senior director contact details is wrongdoing. The conflict of interest is should the partner make contact and secure the contract, the employee stands to directly gain a pecuniary benefit through additional work for the partner’s business.</p> <hr/> <p><b>SCENARIO:</b> An employee who works in Queensland Health Division ‘A’ has been engaged to undertake a workplace investigation Queensland Health Division ‘B’. The employee’s partner works in Division ‘B’ and provides the employee with their personal thoughts and opinions on the employees being investigated.</p> <p><b>ANALYSIS:</b> The conflict of interest arises from the partner’s view having an unduly influence on the employee conducting their official duties appropriately and without bias.</p>
<p>Decision making</p>	<p><b>SCENARIO:</b> An employee works in the administration department of a medical ward. They give preferential treatment to their neighbour by putting their file ahead of other patients who have been waiting longer.</p> <p><b>ANALYSIS:</b> The conflict is that the employee’s personal interest (more favourable treatment to your neighbour) has improperly influenced their official duties by not administering patients appropriately.</p> <hr/> <p><b>SCENARIO:</b> An employee is required to provide supplier recommendations to clients as part of their role. One of the suppliers advised the employee that for every referral they provide for their service, they will receive a benefit from them.</p> <p><b>ANALYSIS:</b> The conflict of interest is the employee would stand to gain a pecuniary financial benefit for every referral made for that supplier, thereby placing their personal interest above performing their official duties appropriately.</p> <p>It doesn’t matter so much whether the individual with the conflict of interest <i>would</i> act on the temptation but whether a reasonable individual would have the confidence that they <i>would not</i> act on the temptation.</p>
<p>Recruitment and selection</p>	<p><b>SCENARIO:</b> An employee is participating on a recruitment panel for a role which directly reports to them. The employee fails to disclose to the other panel members that their son’s girlfriend is an applicant for the role. The panel member encourages other panel members to shortlist that applicant. The applicant is short-listed, is the most suitable candidate for the role and recommended for selection to the delegate.</p> <p><b>ANALYSIS:</b> The conflict of interest is that the employee has placed their personal interest (relationship) above performing their official duties appropriately. It is wrongdoing that the employee failed to disclose the conflict of interest at any point in the recruitment and selection process. It is wrongdoing that the employee encouraged other panel members to shortlist the applicant. If the employee did not encourage other panel members to shortlist the applicant and the applicant was found to be most suitable, it does not excuse the failure to disclose the relationship and declare the conflict. This is a flawed process.</p>

	<p>The employee should have disclosed the relationship and declared the conflict as soon as they saw that the applicant with whom they have a relationship had applied. Considerations to any changes to the reporting line or supervisory line should be made. If unworkable, the applicant should then be advised they have been excluded from this particular process due to the conflict of interest.</p>
	<p><b>SCENARIO:</b> A chair of a selection panel uses their seniority to coerce other more junior panel members to select a particular applicant for the appointment.</p> <p><b>ANALYSIS:</b> If the junior panel members go along with the chair's recommendations despite their views that a more suitable candidate exists, a conflict of interest would arise as their personal interests (doing what the chair wants to avoid an uncomfortable situation and perhaps be looked upon favourably by the senior officer), would be placed before the interests of Queensland Health in selecting the most suitable candidate for the position. It is wrongdoing for the panel chair to pressure other employees using their position.</p>

## 4 Self-Assessment Checklist

NOTE: This checklist is not an exhaustive list for the self-assessment of a conflict of interest (Reference: *Managing conflicts of interest in the public sector – guidelines and toolkit, Crime and Corruption Commission*).

<p><b>When making a self-assessment of whether there is an actual, perceived or potential conflict of interest, consider the questions on the checklist below.</b></p> <p><b>An appropriate test when making an assessment of situations, is to reflect on the question – ‘Could this conflict with an employee’s public duty to serve the public interest?’</b></p> <p><b>A ‘yes’ answer to any of the questions may indicate that a conflict exists and should be reported.</b></p>		
<b>Private Interest</b>		
Are there any ties, obligations, financial relationships and/or affiliations with organisations, clubs, groups or individuals who stand to gain or lose from this matter?	<b>YES</b>	<b>NO</b>
Are there any close associations with a private business (or secondary employment) interest in this matter?	<b>YES</b>	<b>NO</b>
Are there any family or other relationships with clients, contractors or other people involved in the matter?	<b>YES</b>	<b>NO</b>
Does the matter relate to a financial (pecuniary) interest?	<b>YES</b>	<b>NO</b>
If there is a private interest, is it influential or motivating so that it may lead to a conflict of interest?	<b>YES</b>	<b>NO</b>
Are there any reasons for others to doubt the ability to act impartially in the public interest (i.e., to absolutely ensure that any private considerations do not affect any decisions/actions)?	<b>YES</b>	<b>NO</b>
<b>Potential Benefits</b>		
Could there be a personal, or other close association with a benefit now or in the future from actions or decisions in relation to the matter?	<b>YES</b>	<b>NO</b>

Could there be a personal, or other close association with a detriment affected now or in the future by actions or decisions in relation to this matter?	<b>YES</b>	<b>NO</b>
Has there been a previous receipt of a benefit, gift, donation, or hospitality (e.g., meals, drinks, tickets) from someone who stands to gain or lose from a decision or action in relation to this matter?	<b>YES</b>	<b>NO</b>
Is there likely to be a personal or closely associated (e.g., a relative, friend or associate) gain or loss financially if the matter is resolved a certain way?	<b>YES</b>	<b>NO</b>
Could involvement in the matter have an influence on future employment opportunities?	<b>YES</b>	<b>NO</b>
<b>Perceptions</b>		
Would it appear to a person outside of the decision-making process that private interests were in conflict with public duty?	<b>YES</b>	<b>NO</b>
Would a person outside of the decision-making process reasonably believe private interests were of influence?	<b>YES</b>	<b>NO</b>
Are there any private or professional views or biases that may lead others to conclude that the matter was not handled appropriately?	<b>YES</b>	<b>NO</b>
Are there risks to the perception of Queensland Health or personally for the employee if their involvement was continued?	<b>YES</b>	<b>NO</b>
If another employee was involved in the matter, instead of them, would they consider it be wrong or improper?	<b>YES</b>	<b>NO</b>
<b>Proportionality</b>		
If not involved personally, is there a better way to ensure impartiality, fairness and to protect the public interest?	<b>YES</b>	<b>NO</b>
Is personal involvement illegal?	<b>YES</b>	<b>NO</b>
Is personal involvement contrary to Queensland Health policies and procedures and/or those of the public sector?	<b>YES</b>	<b>NO</b>
Should advice be sought from someone who knows about these things or who is an objective party?	<b>YES</b>	<b>NO</b>
<b>Reputation/Public Scrutiny Test</b>		
Is the matter one of public interest or likely to attract public attention?	<b>YES</b>	<b>NO</b>
Would an employee's personal private interest, cause detriment to Queensland Health and/ or the public sector, if exposed on the evening news or the front page of a newspaper?	<b>YES</b>	<b>NO</b>
If questioned publicly, could personal actions and/ or involvement be defended or justified?	<b>YES</b>	<b>NO</b>
Could personal involvement result in negative consequences for others, Queensland Health or individually?	<b>YES</b>	<b>NO</b>

<b>Promises and Obligations</b>		
Have there been any promises or commitments or involvement or private contributions to the matter?	<b>YES</b>	<b>NO</b>
Are there any current or previous relationships with interested parties that may indicate an obligation or a perception of favouritism or bias?	<b>YES</b>	<b>NO</b>
Are there any affiliations past or present (e.g., political, union, professional, religious) that may indicate an obligation or a perception of favouritism or bias?	<b>YES</b>	<b>NO</b>

## 5 The six management options and when to use them

The table below details six major options available to a manager and/or delegate and the employee with the conflict to use when managing conflicts of interest. It is **mandatory to formally record** as per departmental/ HHS processes, the strategies chosen and implemented.

Option	Detail	When most suitable	Suggested strategies	When least suitable
<b>Register</b>	<p>The declaration of a conflict of interest is to be recorded in writing using Departmental/ HHS processes.</p> <p>The declaration provides the delegate with transparency of information to assess the level of risk associated with the conflict of interest in order to manage the situation appropriately.</p>	<p><b>Mandatory – this must occur in every situation.</b></p> <p>The registration or declaration of conflicts of interest does not in itself resolve the conflict.</p> <p>Additional measures to positively resolve or manage conflicts of interest are required.</p>	<p>The employee with the conflict is required to:</p> <ul style="list-style-type: none"> <li>ensure their supervisor or manager is aware of the conflict so that effective supervision can be carried out; and</li> <li>inform likely affected persons (for example, the operational lead, if relevant to the situation), that a declaration has been made providing appropriate details and Queensland Health’s view that there is no actual conflict of interest, or that the potential for conflict is minimal, or that it is being managed to Queensland Health’s satisfaction.</li> </ul>	<p>This must occur in every situation.</p>
<b>Restrict</b>	<p>Where restrictions are placed on the employee’s involvement in the matter.</p>	<p>The employee can be effectively separated from parts of the activity or process.</p> <p>The conflict of interest is not likely to arise frequently.</p>	<p>Implement means to ensure the employee is sufficiently restricted from the matter, which may include:</p> <ul style="list-style-type: none"> <li>No involvement in any critical criteria setting or decision-making role related to the matter; and/ or</li> <li>No taking part in any debate about the matter; and/ or</li> </ul>	<p>When the conflict is likely to arise frequently.</p> <p>The employee is constantly unable to perform a number of their regular duties because of the conflict-of-interest issues.</p>



Option	Detail	When most suitable	Suggested strategies	When least suitable
			<ul style="list-style-type: none"> <li>No voting on decision proposals related to the matter; and/ or</li> <li>No access to information related to the matter.</li> </ul>	
<b>Recruit</b>	Where a neutral third party is used to oversee part or all of the process that deals with the matter.	It is not appropriate or desirable for the employee to remove themselves from the decision-making process (e.g., where the employee's particular expertise is necessary and genuinely not easily replaced).	<p>Arrange for the affected decision to be made by an independent or neutral third party.</p> <p>Engage an independent third party or probity auditor to oversee or review the integrity of the decision-making process. This strategy is particularly appropriate where there is a reasonably perceived, but not actual, conflict of interest, or the conflict of interest is only identified at or near the conclusion of the process or after the making of the decision.</p> <p>Increase the number of people sitting on decision making committees to balance the influence of a single member who may have a conflict of interest but who has some special reason to remain on the committee.</p> <p>Seek the views of those likely to be concerned about a conflict of interest as to whether they object to the employee having any, or any further involvement in the matter.</p> <p>Review reporting lines for possible hierarchical changes where there is a conflict between a manager and an employee who reports directly to them.</p>	<p>The conflict is serious and ongoing, rendering ad hoc recruitment of others unworkable.</p> <p>Recruitment of a third party is not appropriate for the proper handling of the matter.</p> <p>A suitable third party is unable to be sourced.</p>

Option	Detail	When most suitable	Suggested strategies	When least suitable
<b>Remove</b>	Where the employee is removed from their involvement in the matter.	Appropriate for ongoing serious conflicts of interest where ad hoc restriction or recruitment of others is not feasible or appropriate. Such strategies aim to remove the individual with the conflict of interest, from all duties related to the conflict of interest for as long as the conflict of interest exists.	Remove the employee from any involvement in the matter, including any informal or formal discussions on the matter. Remove the employee from any situation where the employee may still exert or be perceived to exert any influence on the matter.	The conflict of interest and its potential or perceived effects are low risk or low significance. The employee is prepared to relinquish the relevant private interests rather than radically change their work responsibilities or environment.
<b>Relinquish</b>	Where the employee relinquishes the private interest that is creating the conflict.	The employee's commitment to their official duties outweighs their attachment to their private interest.	The private interest is relinquished, and the employee provides evidence or a statutory declaration to their manager confirming the relinquishment.	The employee is unwilling to relinquish the private interest.
<b>Resign</b>	Where the employee resigns from their position with Queensland Health.	There are no other workable options. The employee cannot or will not relinquish their private interest, and changes to their work responsibilities or environment are not feasible. The employee prefers this course as a matter of personal principle.	Resignation from the position by the employee. Transfer the employee to another work area/ agency.	The conflict of interest and its potential or perceived effects are low risk or low significance. Other options exist that are workable for the employee and Queensland Health.

## History

Date	Guideline change
15 July 2024	<ul style="list-style-type: none"><li>• New guideline developed to support <i>HR Policy E17 – Conflicts of Interest</i>.</li><li>• HR Policy E17 replaces <i>HR Guideline E1 – Conflicts of Interest</i> made under <i>HR Policy E1 – Workplace conduct and ethics</i>. See HR Policy E17 for history of <i>HR Guideline E1 – Conflicts of Interest</i>.</li></ul>