

Overview

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1. Purpose

This purpose of this policy is to:

- ensure Monash Health avoids potential, reasonably perceived and actual conflicts of interests and operates at the highest levels of impartiality and integrity in order to retain public trust; and
- provide guidance to Monash Health employees on the identification and management of potential, perceived or actual conflicts of interest and how to respond to these situations (including the correct reporting of any such incidents).

2. Application - Who must comply with this policy?

All Monash Health employees and volunteers.

3. Scope -This policy applies in the following setting:

This policy is applicable to all Monash Health employees and volunteers in the event of a potential, perceived or actual conflict of interest between their private interests and the interest of Monash Health.

4. Principles

Employment within the public sector requires employees to carry out their duties with impartiality and integrity in order to maintain public trust.

All employees need to ensure that their private interests do not influence, or are not seen to influence their decisions or performance of their duties.

Accordingly, to ensure that the impartiality of Monash Health and its employees is not comprised, this policy has been developed to provide guidance to employees on the identification and management of potential, perceived or actual conflicts of interest during the course of their employment.

A breach of the policy may constitute a breach of the Employees Code of Conduct and be subject to action under the Monash Health discipline procedure.

4.1 Conflicts of interest

Conflicts of interest may be potential, perceived or actual:

- A **potential conflict of interest** arises where an employee’s private interests could conflict with their public duties:
- A **perceived conflict of interest** is where a third party could form the view that private interests could improperly influence an employee’s actions, now or in the future:
- An **actual conflict of interest** is one where there is a real conflict between an employee’s public duties and private interests.

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The above principles apply even where the conflict is not detrimental to the organisation or where there is no potential to undermine the quality of patient care provided.

4.2 Private interests include:

- **Pecuniary interests:** being actual or potential financial gain or loss. Money does not need to change hands for an interest to be pecuniary. People have a pecuniary interest if they (or a relative, or other close associate) own property, hold shares, have a position in a company bidding for government work, or receive benefits such as concessions, discounts, gifts or hospitality from a particular source.
- **Non-pecuniary interests:** do not have a financial component. They may arise from personal or family relationships, or involvement in sporting, social or cultural activities. They may include any tendency toward favour or prejudice resulting from friendship, or other person, group or organisation.

4.3 General Principles

- Actual, potential and reasonably perceived conflicts of interests are to be reported (in accordance with the procedure set out at Item 5), managed and effectively avoided. If there is any doubt as to whether a conflict of interest exists, it is best to assume that it does and act accordingly.
- The identification of a conflict of interest does not imply wrong-doing. Most conflict situations can be satisfactorily dealt with by full disclosure.

Employees must:

- Take reasonable steps to restrict the extent to which a private interest could compromise, or be seen to compromise, their impartiality during the course of employment with Monash Health;
- Abstain from involvement in Monash Health decision making processes in which they may be compromised, including the procurement of goods and services and the appointment of a relative or other person, with whom they have a close association, to a position at Monash Health;
- In any meeting where binding decisions or recommendations are made, disclose any actual, potential or perceived conflicts of interest before or during the meeting and withdraw from the meeting while that business is considered. The disclosure must be recorded in the minutes of the meeting;
- Avoid private action in which they could be seen to have an improper advantage from inside information they might have access to because of their duties at Monash Health;
- Not use their position or Monash Health resources for private gain, or obtain a private benefit for someone else (or to the detriment of someone else);
- Act in a manner that does not create a reasonable perception that they have received an improper benefit that may influence the performance of their duties at Monash Health;
- If engaged in research, make full disclosure of any potential and actual conflicts of interest in their research to Monash Health;

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- Ensure they comply with the Monash Health *Gifts, Benefits and Hospitality Policy* when offered a gift, benefit or hospitality from a third party during the course of their employment;
- Ensure they comply with the Monash Health *Relationships with Industry Policy* when offered sponsorship or an offer of support by a third party. This may include offers in support of research or sponsorship in relation to conference or symposium attendance; and
- Follow the procedure outlined at Item 5 when a potential, perceived or actual conflict of interest arises during their employment at Monash Health.

5. Procedure

5.1 All employees

- 5.1.1 Where a potential, perceived or actual conflict of interest arises during an employee's employment at Monash Health, the employee **MUST** complete the *Conflict of Interest Declaration Form (All Staff)* as soon as the conflict arises or when they become reasonably aware of the conflict.
- 5.1.2 All employees conducting research at Monash Health or who are members of Committees (for example, Research or Therapeutics) will also be required to complete the *Conflict of Interest Declaration Form (All Staff)* in accordance with the relevant Departmental procedures.
- 5.1.3 The disclosure should contain the following information:
- The nature of the activity that may constitute a conflict;
 - a description of the external parties involved;
 - any financial or other interests or rewards;
 - the nature of the relationship;
 - the duration of the relationship;
 - the scope of the work involved or contemplated; and
 - any other relevant information.
- 5.1.4 Once completed, the employee then submits the form to their Executive Director.
- Executive Director
- 5.1.5 Upon receipt of the completed Conflict of Interest declaration form, the Executive Director will determine whether the details provided in the declaration constitute a conflict of interest.
- 5.1.6 In the absence of any conflict, the Executive Director will note that no conflict exists on the declaration form.
- 5.1.7 In the event that the Executive Director determines that there is a potential, perceived or actual conflict of interest, they will conclude that:
- The activity and associated interests are appropriate and do not represent a conflict of interest and can therefore continue;

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- The activity and associated interests are permissible, provided certain measures are taken to avoid bias or the appearance of bias; or
- The activity and associated interests are inconsistent with the interests of Monash Health and must be discontinued.

If action is required, the Executive Director will discuss the matter with the employee concerned and agree on a Conflict of Interest management or elimination plan.

5.1.8 Management strategies and remedies may include:

- close monitoring of the activity in question, either internally or by independent reviewers;
- reformulating the employee’s scope of work, or restricting access to certain information
- excluding an employee from participation in all or a portion of a certain activity;
- relinquishing financial or other personal interests;
- severance of external relationships that pose conflicts;
- the return of a gift, gratuity or other payment received in relation to the conflict situation (please also refer to [Monash Health’s Gifts, Benefits & Hospitality Policy](#)); and
- any other condition or action which is considered reasonable and appropriate in order to remedy the situation.

5.1.9 Refusal by an employee to abide by the condition imposed by Monash Health may expose that individual to disciplinary action.

5.1.10 The agreed plan should be documented on the Conflict of Interest Declaration Form or attached to it.

5.1.11 The employee and Executive Director must both sign the Conflict of Interest Declaration form and each retain a copy including any agreed plan.

5.1.12 The original signed form is to be forwarded to People and Culture for inclusion on the Monash Health Conflict of Interest Register.

People and Culture/Committee Chairperson

5.1.13 Upon receipt of the Conflict of Interest Declaration form, People and Culture will place this on the Conflict of Interest register. If the declaration relates to a Committee process, a copy of the form shall also be held by the Committee Chairperson and noted in the Committee minutes.

5.2 Employees who are members of a Tender Steering Committee or Tender Working Party.

5.2.1 A Conflict of Interest may arise at any time during an Invitation to Supply.

5.2.2 During the first Tender Steering Committee or Tender Working Party meeting, the relevant Tender Manager will provide a presentation outlining the probity, conflict of interest and confidentiality requirements of the process.

5.2.3 All members of a Tender Steering Committee or Tender Working Party must complete the relevant sections of the *Conflict of Interest Declaration Form (All Staff)* confirming whether or not they have a current conflict of interest in relation to the project.

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- 5.2.4 Where a conflict of interest has been identified, the disclosure should contain the information set out in Item 5.1.3 of the general employee procedure.
- 5.2.5 The employee is then to submit the completed declaration form to their relevant Executive Director who will determine whether the details provided in the declaration constitute a conflict of interest. If action is required, the Executive Director will propose a management strategy in accordance with the general employee procedure outlined above.
- 5.2.6 The Executive Director will then forward the declaration, with details of any agreed actions or management plan if applicable, to the Tender Manager.
- 5.2.7 The Tender Manager is responsible for collating the declaration forms and adding relevant details to the Conflict of Interest Register. The Tender Manager is also responsible for ensuring any Conflict of Interest management plans are enacted throughout the Invitation to Supply process.

5.3 Board Directors, Executive Officers and Senior Personnel

- 5.3.1 Monash Health requires the following personnel to complete a separate and specific *Declaration and Management of Private Interests Form*:
 - each Director of the Monash Health Board;
 - the Chief Executive;
 - any employee holding a financial delegation; and
 - any employee occupying a position which is assessed by the Chief Executive as warranting a declaration on the basis of a potential or perceived conflict of interest.
- 5.3.2 Monash Health is required to obtain this information in order to comply with the:
 - *Code of Conduct for Directors of Public Entities* and *Code of Conduct for Public Sector Employees* prepared and issued by the Victorian Public Sector Commission; and
 - *Appointment and Remuneration Guidelines (1 October 2018)* issued by the Department of Premier and Cabinet

6. Responsibilities

All Employees: must comply with the principles outlined at Item 4.3. Employees have an ongoing responsibility to act in an open, honest and transparent manner and to disclose all details if a potential, perceived or actual conflict of interest occurs.

Managers (all staff responsible for supervising staff) must:

- Be aware of the risks of conflicts inherent in the work of the staff they manage (including acceptance of gifts);
- Make staff aware of relevant policies and procedures;
- Advise staff about appropriate ways to manage conflicts;
- Assist staff who disclose conflicts in preparing management strategies;
- Record the receipt of disclosures of conflicts of interest reported to them by staff;
- Monitor the work of staff and the risks to which they are exposed; and

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Seek advice from their Executive Director if they are uncertain about their responsibilities with respect to a possible conflict of interest.

7. Evaluation, monitoring and reporting of compliance to this policy

Compliance to this policy will be monitored, evaluated and reported through the annual performance review of employees at nominated levels, including those employees with delegated authority. Compliance to the policy should also be a standing agenda item at the Board of Directors and Monash Health Executive Committee (MHEC) meetings.

Research: All employees conducting research at Monash Health are required to complete a Conflict of Interest Declaration Form. Adherence to this policy will be monitored and evaluated by the Research Directorate who is to be informed of any breaches of this policy. The Research Directorate will also document declarations of potential conflicts of interest in research in the minutes of all research committee meetings.

Centre for Clinical Effectiveness: To ensure that Centre for Clinical Effectiveness work is impartial and independent, employees are required to sign a declaration of potential conflict of interest:

- On commencement with the Centre for Clinical Effectiveness;
- Annually, as part of the performance appraisal process;
- Before each evidence review or project; and
- On any material or relevant change in their interests (such as purchase of a pharmaceutical stock). Employees are not compelled to disclose details of all shareholdings or other external interests, unless they are working on a project or evidence review where those interests could be considered a potential conflict of interest. In this case, full disclosure is expected.

8. Useful tools and resources

- [Conflict of Interest Declaration Form \(All Staff\)](#)
- [Declaration and Management of Private Interests Form](#)
- [Code of Conduct for Directors of Public Entities](#)
- [Code of Conduct for Public Sector Employees](#)
- [Goods, Benefits and Hospitality Policy](#)
- [Relationships with Industry Policy](#)

9. Document Management

Policy supported: [Conflict of Interest](#)

Background: [Conflict of Interest](#)

Executive Sponsor: Head of People and Culture

Person Responsible: Head of People and Culture

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