


<b>Title</b>	<b>Conflict of Interest</b>			
<b>Department</b>	<b>Corporate</b>	<b>Section</b>	<b>Organisation</b>	
<b>Approved by</b>	<b>CEO</b>	<b>Document Type</b>	<b>Policy</b>	

## POLICY STATEMENT

South Gippsland Hospital (SGH) employees, Board of Management (BoM) members, VMOs, contractors, students and volunteers must ensure their personal or financial interests do not influence or interfere with the performance of their role. They seek to ensure the interests of family members, friends or associates do not influence or could be perceived to influence the performance of their role.

SGH adheres to all aspects of Section 7(b)(iv) of the *Public Administration Act 2004* and Clause 3.7 of the *Code of Conduct for Victorian Public Sector Employees 2015* which outline the legislative requirements for public sector employees regarding real or apparent conflicts of interest.

This policy is to be read in conjunction with the SGH Fraud, Corruption and other losses policy.

## DEFINITIONS

A **conflict of interest** at SGH is considered as a conflict between organisational duties and private interests or those of related parties. A conflict of interest can arise from avoiding personal losses, as well as gaining advantage either personally or for a related party — whether financial or otherwise. These can be actual, potential or perceived.

An **actual conflict of interest** is one where there is a real conflict between an employee's, BoM member's, VMO's, Contractor's, student's or volunteer's organisational duties and responsibilities, and their private interests.

A **potential conflict of interest** arises where an employee, BoM member, VMO, Contractor, student or volunteer has private interests that could conflict with their organisational duties.

A **perceived conflict of interest** can exist where a third party could form the view that an employee's, BoM member's, VMOs, Contractors, students or volunteer's private interest could improperly influence the performance of their duties, now or in the future.

An **interest** in this context means anything that can have an impact on an individual or group. The term 'private interests' includes not only an employee's own personal, professional or business interests, but also the personal, professional or business interests of individuals or groups with whom they are closely associated. This can include relatives, friends or even rivals and enemies.

Private interests can be divided into two types:

**Pecuniary interests** involve an actual, potential or perceived financial gain or loss. Money does not need to change hands for an interest to be pecuniary.

**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.

**VMO-** Visiting Medical Officer

**Contractor-** refers to anyone who contracts a service to SGH and who is expected to complete a Declaration of Conflict of Interest in accordance with Health Purchasing Victoria policy if appropriate.


**Student-** refers to anyone using SGH as a placement for educational purposes eg. medical, nursing, secondary schools.

## MINIMUM REQUIREMENTS

Employees, BoM members, VMOs, Contractors, students and volunteers are expected to act with:

### Impartiality

- making decisions and providing advice on merit without bias, caprice, favouritism or self-interest
- acting fairly by objectively considering all relevant facts and applying fair criteria
- implementing Government policies and programs equitably.

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### Accountability

- working to clear objectives in a transparent manner
- accepting responsibility for their decisions and actions
- seeking to achieve best use of resources
- submitting themselves to appropriate scrutiny.

### Integrity

- being honest, open and transparent in their dealings
- using powers responsibly
- reporting improper conduct
- avoiding or managing real or apparent conflicts of interest
- striving to earn and sustain public trust at the highest level.

### RESPONSIBILITY

The CEO, under the direction of the BoM, is responsible for the ongoing maintenance of an organisational environment that helps and encourages effective decision making when conflicts of interest arise.

The executive team and the Quality Coordinator are responsible for providing, implementing and promoting policies, processes and practices that create and sustain a culture of integrity. This will include

- having clear protocols and procedures to advise and record disclosed conflicts of interest; refer to attached forms *Conflict of Interest Declaration, Form 483* and *Conflict of Interest register, Form 484*.
- Ensuring staff and volunteers with management responsibility complete and annual Key Management Personnel Related Party Disclosure form
- assisting staff with guidance and training to promote understanding of the established rules and practices and their application to the working environment. This will include mandatory training, information flyers and Code of Conduct booklets available on orientation and by request.
- encouraging open communication and dialogue so that staff are comfortable disclosing and discussing conflicts of interest in the workplace; need to look at communication forums
- protecting information about disclosed conflicts of interest from misuse by others by providing a secure location for forms *Conflict of Interest Declaration, Form 483* and *Conflict of Interest register, Form 484*.


Employees, BoM members, VMOs, Contractors, students or volunteers are expected to take reasonable steps to manage any real, potential or perceived conflict of interest. CEO and BoM will take responsibility for managing all conflicts of interest.

### MANAGING CONFLICTS OF INTEREST

SGH recognises proper management of conflicts of interest does not require the wholesale avoidance or relinquishment of private interests that might give rise to a conflict of interest issue.

Management of the interaction between private interests and organisational duties will be achieved by:

- **Registration** – details of the existence of a possible or potential conflict of interest are formally advised and noted. Documentation must include *Conflict of Interest Declaration, Form 483* and *Conflict of Interest register, Form 484*.
- **Restricting** – restrictions are placed on the employee, BoM member, VMO, Contractor, student or volunteers involvement in the matter
- **Recruitment** – a disinterested third party is appointed to oversee part or all of the process that deals with the matter

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- **Removal** – the employee, BoM member, VMO, Contractor, student or volunteer does not participate at all in the matter
- **Relinquishing** – the private interest concerned is relinquished
- **Resignation** – the employee, BoM member, VMO, Contractor, student or volunteer steps down from the position they hold on a temporary or permanent basis.


#### **OUTCOMES**

- SGH will have processes in place to manage all real, potential or perceived conflicts of interest and related party disclosures that may have an adverse impact on the operations of its service including customers, staff, operations, assets and/or reputation.
- Members of the public, stakeholders, partner agencies and client groups will be made aware of the organisations policy and procedures for managing conflicts of interest on the SGH website.

#### **REFERENCES**

*Health Purchasing Victoria Policy Public Administration Act 2015*  
*Code of Conduct for Victorian Public Sector Employees, 2007*  
*Australian Accounting Standard AASB124, 2017*

Reviewed by Chief Executive Officer, Paul Greenhalgh April 2021  
For review by Audit and Risk Committee 11 May 2021.


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## **Appendix 1 Conflict of Interest Policy**

### **Conflict of Interest Declaration (Form 483)**

At a minimum, South Gippsland Hospital designates a conflict of interest as a real, potential or perceived conflict between organisational duties and private interests. A conflict of interest can arise from avoiding personal losses, as well as gaining personal advantage — whether financial or otherwise.

<b>Completed by employee, BoM member, VMOs , Contractors, students or volunteer of any real, potential or perceived conflict of interest</b>			
Description of interest:			
Description of real, potential or perceived conflict			
Date interest described above became a conflict:			
Signature of recipient		Date	
<b>Noted by authorised delegate</b>			
Signature			
Name	Role	Date	
<b>Conflict of Interest Register updated</b>			
Signature			
Name	Role	Date	

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## **Appendix 2 Conflict of Interest Policy**

### **Conflict of Interest register (Form 484)**

<b>Date</b>	<b>Person involved (name, role, organisation)</b>	<b>Description of Interest</b>	<b>Description of conflict</b>	<b>Management of conflict</b>	<b>Authorised by (name, role, organisation)</b>

Accreditation tag: