

CONFLICTS OF INTEREST AT UQ

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Conflicts of interest occur when aspects of an individual's private life coincide with their duties or responsibilities as an employee of the University or may occur when an employee has competing multiple roles, eg. as Head of School and Grant Chief Investigator (known as a conflict of duty). Of themselves, conflicts of interest are neither good nor bad – employees may resolve conflicts in their favour or against themselves. How it is dealt with is the important thing.

Conflicts of interest may be:

- actual (a direct conflict between current duties and responsibilities and existing private interests),
- perceived (appears that private interests could improperly influence the performance of duties, whether or not this is in fact the case), or
- potential (arises where private interests could conflict with official duties).

A conflict of interest may be pecuniary (involving financial gain or loss) or non-pecuniary. It can arise from avoiding personal losses as well as gaining personal advantage, financial or otherwise.

The University's Code of Conduct places an obligation on staff "to avoid conflicts between their private interests and University responsibilities and should avoid situations where there is a reasonable basis for the perception of such a conflict".

Depending on the nature of the conflict of interest, it may be properly managed by one or more of the following processes:

- declaration of the conflict of interest to the staff member's Head/Director/Supervisor;
- restricting involvement in the matter, eg. refrain from taking part in debate about a specific issue or abstain from voting on decisions (if this situation occurs frequently, or an ongoing conflict of interest is likely, other options may need to be considered);
- altering supervisory roles (staff in familial relationships should not report to one another);
- oversight by a more senior employee, or an independent third party, to review the decision-making process;
- removal of the employee from the decision-making process altogether;
- relinquishing the personal or private interests (selling shares, resignation from club or association); and/or
- where the conflict cannot be resolved in any other way and the conflicting private interests cannot be relinquished, resignation by the staff member.

Failure to avoid conflicts of interest, or failure to adequately disclose and manage unavoidable conflicts of interest, may result in:

- resentment amongst staff or students who perceive others to be gaining an unfair advantage;
- damage to the reputation of the University and the individual; or
- loss of public trust in the University and its research, teaching or management.

Failure to disclose actual or potential conflicts of interest can lead to:

- misconduct or other disciplinary proceedings against the staff member;
- action by agencies such as Queensland Audit Office or the Crime and Misconduct Commission; or
- legal action against the University or the individuals concerned.

PERSONAL RELATIONSHIPS

There are a number of situations in the course of a staff member's duties in which a conflict of interest may arise, for instance, in the marking of student assignments or examination papers, in appointment, supervision and promotion of staff and in the awarding of research or other financial assistance to staff or students. Where such a conflict arises in a clear case, the staff member should withdraw himself or herself from the situation. Where the relationship is not so close, the staff member should discuss the issue with someone in authority. See HUPP 3.30.1.9 (Assessment Involving Near Relatives and Close Associates) and 1.50.4 (Personal Relationships in the Workplace) for more information.

EMOTIONAL RELATIONSHIPS (INCLUDING SEXUAL RELATIONSHIPS AND CLOSE FRIENDSHIPS)

Emotional and sexual relationships may create difficulties in maintaining the boundaries between professional and personal life and may compromise the professional or personal standing of either one or both of the persons involved. Difficulties may also arise from the unequal power of the persons concerned. This is particularly acute in relationships between staff and students. It is in the staff member's best interests if a senior University officer knows of the situation in enough detail to provide advice if it becomes necessary.

Staff, who become involved in a situation where an emotional or sexual relationship is a source of conflict of interest, must withdraw from the situation causing the conflict of interest. Staff in supervisory positions, in particular, must be alert to the conflicts which such a relationship may create in the workplace, and the need to handle such situations in a sensitive manner.

PURCHASING AND OTHER FINANCIAL OR CONTRACTUAL OBLIGATIONS

Financial relationships where a staff member has a pecuniary interest in a company from which equipment is purchased or services supplied will, invariably, create a conflict of interest situation which must be disclosed prior to any purchasing or other financial or contractual decisions or dealings occurring. The staff member concerned should not have any involvement in such transactions. For more information, see FMPM 5.1.1 (State Purchasing Policy) and HUPP 1.50.2 (Outside Work and Business Interests for University Staff).

FINANCIAL DELEGATIONS

Financial Delegates have a particular duty of care to the University to ensure probity within the purchasing process. As such, avoidance of actual or perceived conflicts of interest is imperative. Requirements to be observed by Financial Delegates are detailed in FMPM 3.2.

CONSULTING AND OTHER OUTSIDE WORK

Outside work must not be accepted where it may cause a conflict between the staff member's private interests and duties to the University. Staff should not seek to secure as paid outside consultative work tasks that would rightly be regarded as part of their University duties. See HUPP 1.50.2 (Outside Work and Business Interests for University Staff):

"A staff member must avoid situations where there is or may reasonably be perceived to be a conflict of interest in undertaking any outside work or business interest. A situation of conflict, or potential conflict of interest, arises where a staff member is in, or is seen to be in,

a position to influence a decision of the University that may favour the staff member personally, associates of the staff member, or some other business interest or activity of the staff member. Conflicts of interest may arise between a person's role as a staff member and the duties as a company director.

Staff members who have a position of influence in a business that may provide goods or services to the University must declare their interest, in writing, to their Head of School, Director of Division or Centre. In particular, an interest or a relationship with a business must be disclosed before a decision is made by the University to order goods or services, or to undertake other financial or contractual obligations. A staff member in this situation must not be involved in such a decision.

Staff members must also declare their interest in situations of potential conflict of interest. A potential conflict is created in the case of a staff member being in a position of influence with a business, which is dealing with the same type of goods or services as that area of the University in which the staff member is employed. It could also occur with the conduct of research where the outcomes could influence market expectations about financial results of a company in which the researcher has an interest.

Where there is some cause for concern regarding a conflict, this must be discussed with the Head of the organisational unit and must be noted on the application for approval. Further information regarding conflicts of interest is included in the University's Code of Conduct policy."

RESEARCH

UQ receives a significant portion of its annual income from granting bodies to undertake research. Failure to declare conflicts of interest, especially conflicts of interest with companies involved with the development and marketing of the outcomes of the research, puts at risk the reputation of the University as well as further funding from the granting bodies.

RECEIPT OF GIFTS OR BENEFITS

Receipt of gifts can be perceived as an inducement to act in a particular way, thus creating a real or apparent conflict of interest. A staff member may, of course, give or accept an occasional gift of nominal value which is offered in accordance with social or cultural practice. Requirements with respect to the recording of gifts are detailed in FMPM 8.5 (Reportable Gifts).

TRAVEL

Travel, especially overseas travel, by politicians, judges and public servants is an activity which has received much adverse publicity over recent years. Before approving travel, Heads/Directors should assess the need for the travel and consider the effect any private component might have on the conduct of University business. General guidelines for personal expenses and the use of credit cards, including travel expenditure, are detailed in HUPP 1.60.6.

OTHER EXTERNAL ACTIVITIES

University staff are free to engage in party-political, professional, interest group and charitable activity, provided that participation does not give rise to a conflict of interest or impede the performance of a staff member's duties. For example, these types of activities should not be undertaken during working hours or, in the case of academic staff, at the expense of their University duties and commitments (see HUPP 1.50.2).