

Fraud and Corruption Control Framework

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1. Introduction

The Cancer Institute NSW (the Institute) takes exposure to fraud seriously and has a zero tolerance for it occurring. The agency takes all reasonable measures to control fraud and properly manage public resources in a way that assures the integrity of the activities of the agency. Any alleged instance of fraud and/or corruption will be thoroughly investigated, and appropriate disciplinary action will be taken. The Institute also has an obligation to report suspected corruption to the relevant authorities. Fraud prevention and control must be the responsibility of all staff and all levels of management, and not just selected people or units within the Institute. The Institute acknowledges that our staff are the best defence against fraudulent activity and play a critical role in preventing and detecting fraud. Staff are encouraged to familiarise themselves with this policy and to be aware of the role they can play. A list of examples of fraud and corruption can be found at **Appendix 2**, and a list of NSW Government Integrity Agencies can be found at **Appendix 3**.

2. Key Definitions

Fraud.¹

Dishonest activity, by NSW Health employees, contractors, volunteers, work experience students or external persons, causing actual or potential financial loss to NSW Health, including the theft of moneys or other property. This includes the deliberate falsification, concealment, destruction or improper use of documentation used for a normal business purpose or the improper use of other information or position.

Corruption.²

Corrupt conduct, as defined in the *Independent Commission against Corruption Act 1988* ("ICAC Act"), is deliberate or intentional wrongdoing, not negligence or a mistake. It has to involve or affect a NSW public official or public sector organisation. While it can take many forms, corrupt conduct occurs when:

- a public official improperly uses, or tries to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others
- a public official dishonestly exercises his or her official functions, or improperly exercises his or her official functions in a partial manner, breaches public trust or misuses information or material acquired during the course of their official functions
- a member of the public influences, or tries to influence, a public official to use their position in a way that affects the probity of the public official's exercise of functions
- a member of the public engages in conduct that could involve one of the matters set out in section 8(2A) of the ICAC Act where such conduct impairs, or could impair, public confidence in public administration.

¹ Ministry of Health Fraud Control Strategy

https://www1.health.nsw.gov.au/pds/ActivePDSDocuments/PD2007_070.pdf

² NSW ICAC What is corrupt conduct - <https://www.icac.nsw.gov.au/about-corruption/what-is-corrupt-conduct>.

3. Fraud and Corruption Statement by the Chief Executive Officer

NSW Health is committed to establishing and maintaining a 'speak-up' culture where staff, contractors and volunteers will report concerns they believe may involve wrongdoing. As the Chief Executive Officer of the Institute, I am committed to preventing fraud and corruption and will ensure that appropriate measures are in place to protect all revenue, expenditure and assets from any attempt to gain illegal financial or other benefits. Any alleged case of fraud and/or corruption will be thoroughly investigated, and appropriate disciplinary action will be taken against anyone who is found guilty of fraudulent or corrupt conduct. This may include referral to the NSW Police. The Institute also has an obligation to report suspected corruption to the Independent Commission Against Corruption. Fraud and corruption control matters because we occupy, as government employees, positions of trust in relation to the management of public assets. The Institute requires all workers at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. Our workers are anyone who carries out work for the Institute, including employees, volunteers, contractors (including agency staff and Visiting Practitioners), subcontractors, the employees of contractors and subcontractors, students, trainees and apprentices. All workers are responsible for reporting wrongdoing, including fraud and corrupt conduct. Under the NSW Health Code of Conduct, workers must:

- act in a way which protects and promotes the interests of NSW Health and the particular NSW Health agency where they work;
- ensure that their actions and decisions are not influenced by self-interest or considerations of personal gain or other improper motives; and
- not accept bribes or inducements that are intended to influence their decisions or actions; and not accept gifts where they are, or could be reasonably interpreted as being, designed to secure influence or preferential treatment in favour of the giver.

NSW Health is committed to protecting any person who raises concerns about a breach of the Code from retaliation or reprisals. Any attempt to take detrimental action against a person who raises a legitimate breach of the Code will be treated seriously and may lead to disciplinary action. Further, it is a criminal offence to take detrimental action against a whistle-blower under Section 33 of the *Public Interest Disclosures Act 2022* (the PID Act). The management team at the Institute will take all reasonable steps to implement systems and procedures that prevent fraud and corruption within the organisation. These steps will be informed through periodic risk assessments, process audits, NSW Health fraud and corruption prevention resources, and better practice guides available through the Audit Office of NSW and Independent Commission Against Corruption. Senior Management will also ensure there are appropriate channels for workers to report fraudulent or corrupt behaviour, and that workers are made aware of the ways available to report it. The Institute will ensure all staff, contractors, suppliers and stakeholders are aware of their commitment to fraud and corruption prevention by:

- placing this statement on the Institute's website and regularly reminding staff of its intent.
- scheduling all workers to complete online fraud and corruption training as required; and
- undertaking regular fraud and corruption awareness activities.

Professor Tracey O'Brien AM

Chief Executive Officer

4. General Responsibilities

Fraud prevention and control must be the responsibility of all staff and all levels of management, and not just selected people or teams within the organisation. Our staff are the best defence against fraudulent activity and play a critical role in preventing and detecting fraud. A **Fraud and Corruption Prevention Accountability Matrix**, incorporating the Institute's **Fraud Control Plan**, detailing key accountabilities to be performed for all levels of management and staff in the Institute can be found at **Appendix 1**.

Chief Executive Officer

The Chief Executive Officer has ultimate responsibility for the effective and economical use of the Institute's resources and for determining appropriate controls in managing fraud and corruption risks. The Chief Executive Officer is obliged, under section 11 of the ICAC Act, to report to the Independent Commission Against Corruption (ICAC) any matter that they reasonably suspect involves or may involve corrupt conduct.

When there is an allegation of fraud or corruption against the Director Operations, Strategy and Performance, the Chief Executive Officer will coordinate and oversee the investigation. This responsibility may be delegated to an appropriately experienced senior member of staff, or a qualified external investigator recommended by Regulation and Compliance Unit at the Ministry of Health.

Director Operations, Strategy and Performance

The Director Operations, Strategy and Performance will:

- Coordinate the Institute's overall approach to fraud and corruption prevention.
- Implement and maintain the Fraud and Corruption Control Framework.
- Oversee the development of fraud and corruption awareness/education training.
- Liaise with central agencies such as ICAC, NSW Ombudsman, Audit Office of NSW and the Information Commissioner on fraud and corruption issues.
- Monitor progress for reporting to the Audit and Risk Committee and Board (as appropriate).
- Ensure fraud and corruption risk assessments / reviews are conducted regularly to establish its risk profile and to provide management with information to deal with fraud and corruption in a cost-effective way.
- Coordinate and oversee the investigation following an allegation of Fraud or Corruption, except where the allegation is against them. In such instances investigations may be conducted by either a NSW Health staff member with appropriate experience or outsourced to an appropriate pre-qualified organisation from a NSW Government panel contract.
- Perform as the Institute's Public Interest Disclosure Coordinator and undertake a role as a Disclosure Officer, refer the Institute's [Public Interest Disclosures Procedure](#) for details.

Manager Governance, Risk and Compliance

The Manager Governance, Risk and Compliance will:

- Assist the Director Operations, Strategy and Performance in performing the above duties.
- Undertake a role as a Disclosure Officer.

Directors and Managers

Directors and Managers are responsible for annually reviewing their areas of activity to assess potential risks, develop strategies to address those risks and to determine the effectiveness of the control mechanisms they have implemented. These strategies should be integrated into team work practices and procedures, and also form part of staff discussions and performance reviews. Business plans should take into consideration these activities including but not limited to:

1. Monitoring their workplaces to identify and address situations that are likely to raise ethical dilemmas.
2. Ensuring that staff are not placed in potentially difficult or compromising situations.
3. Being available and supportive to staff who require guidance on conflicts of interest and other ethical dilemmas.
4. Fostering a work environment free of harassment, discrimination, victimisation, corruption, mal-administration and waste.
5. Ensuring that staff are aware of the principles contained in the Code of Conduct and the established systems and procedures for addressing ethical problems; the Code's advice on conflict-of-interest situations should be emphasised to all staff.
6. Supporting and protecting staff who report, in good faith, instances of potentially unethical or corrupt practices.
7. Ensuring that staff are treated fairly, equitably and in accordance with relevant legislation and policy.
8. Ensuring effective and correct use of delegations of authority.
9. Ensuring that all staff involved in contact with individuals or organisations external to the Institute properly record their actions, comments and undertakings in the appropriate RMS folder. This is a safeguard against false and malicious allegations against officers.
10. Ensuring all staff take at least two weeks continuous leave, may not incorporate public holidays, in any period of 12 months.
11. Ensuring that appropriate structured referee checks and pre-employment criminal record checks are completed for every recruitment action.
12. Setting a good example in actions and deeds.
13. Supporting and providing assistance through the Employee Assistance Program, to staff identified as having "personal issues" such as substance abuse, addictions and gambling; and
14. Ensuring procurement activities conform with the Institute's [Statement of Business Ethics](#).

Directors and line management lead and advocate a healthy ethical culture within the Institute through:

- Demonstrating ethical behaviour in day-to-day activities.
- Communicating the benefits of ethical behaviour throughout the organisation.
- Integrating strategies to prevent fraud and corruption in all departmental processes.
- Instituting positive reinforcement of ethical behaviour.

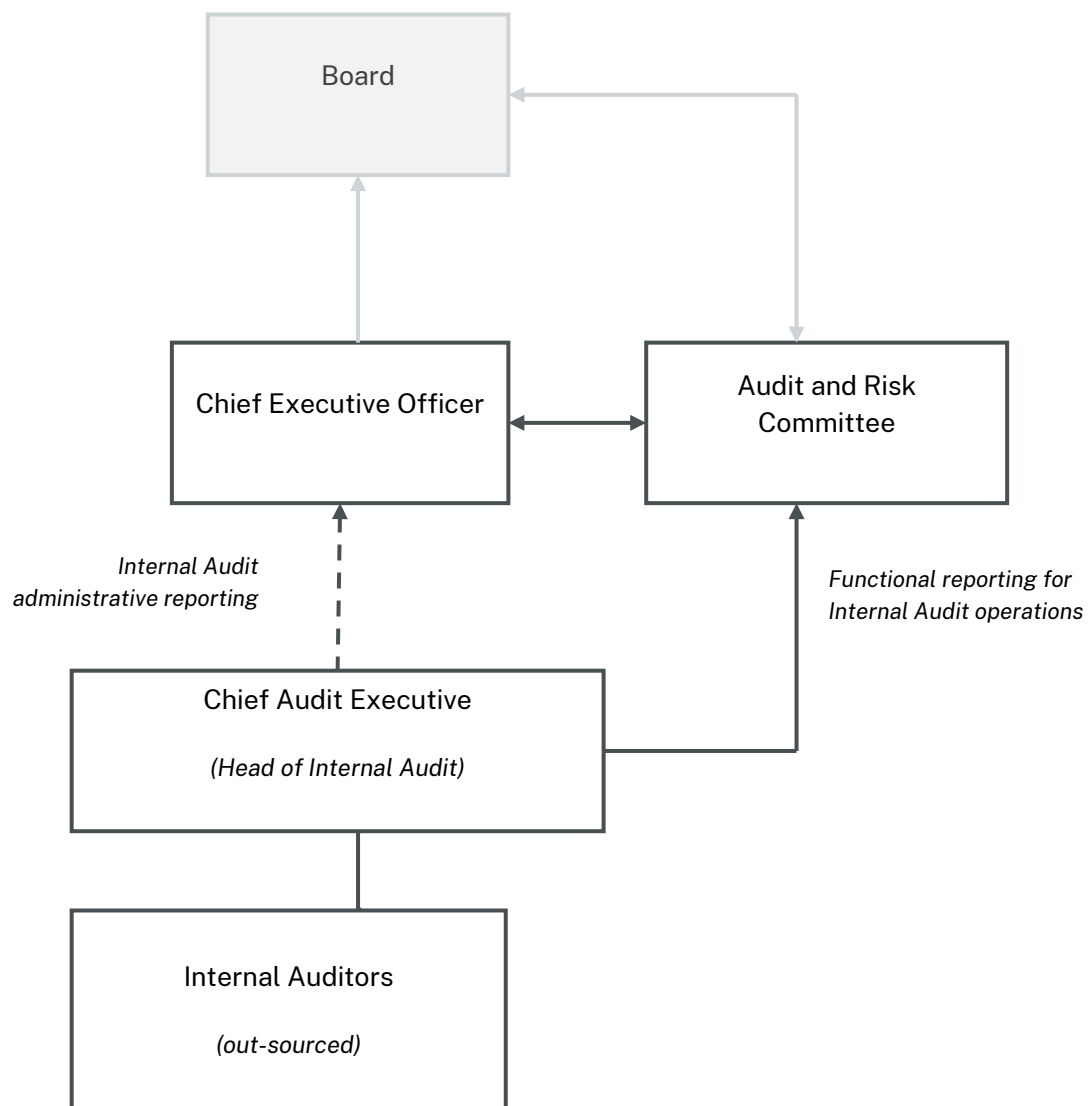
When a Director or a People Manager receives a verbal or written report of suspected fraud or corrupt conduct, it **MUST** be forwarded to the Chief Executive Officer, the Director Operations, Strategy and Performance, and the Manager Governance, Risk and Compliance for investigation and action. All people managers have specific roles to perform with regard to Public Interest Disclosures, refer the Institute's [Public Interest Disclosures Procedure](#) for details.

Staff

All staff are responsible for preventing fraud and corruption and acting ethically and must comply with controls, policies and procedures. All staff have a duty to report suspected fraudulent activity through the lines of internal reporting, or via external reporting channels. The primary means of doing this is by lodging a Public Interest Disclosure, refer the Institute's [Public Interest Disclosures Procedure](#) for details.

Audit and Risk Committee and Internal Audit

The Charter for the Audit and Risk Committee (ARC) specifically references fraud and fraud risk. The Committee will review the agency's Fraud and Corruption Control Plan and be satisfied that the Institute has appropriate processes and systems in place to capture and effectively investigate fraud related information. Internal Audit provides a service to management by assessing the adequacy and effectiveness of the systems of internal control in place at the Institute and reports to management on omissions, weaknesses or deficiencies that require corrective action. The governance, risk and compliance structure involving the ARC within Institute is overviewed below.



5. Fraud Reporting and Investigations

Reporting

All staff have a duty to report suspected fraudulent or corrupt activity. Reports of fraud or corruption can be made verbally or in writing. All matters reported in good faith are thoroughly investigated. When a Director or a People Manager receives a verbal or written report of suspected fraud or corrupt conduct, it **MUST** be forwarded to the Chief Executive Officer, the Director Operations, Strategy and Performance, and the Manager Governance, Risk and Compliance for investigation and action. Staff are encouraged to raise their concerns at any time with their managers, but as an alternative they have the option of making a **Public Interest Disclosure** as outlined in **NSW Health's [Public Interest Disclosure Policy PD2023_026](#)**. The *PID Act 2022* offers employees protection from reprisal when reporting fraudulent activity. The Institute's [Public Interest Disclosures Procedure](#) is available on the Intranet.

Staff not wishing to report a matter internally may make reports or Public Interest Disclosures to the following investigating authorities:

- Internal Audit Branch of the NSW Ministry of Health
- Secretary, NSW Health (for serious and substantial waste of public money)
- Independent Commission Against Corruption (ICAC) (for fraud / corruption matters)
- NSW Ombudsman (for maladministration matters)
- Information Commissioner (for government information contraventions)

Members of the public and other stakeholders, such as suppliers or contractors, can report suspicions of fraud or corruption by writing to or telephoning the Director Operations, Strategy and Performance (mobile 0409 576 430), or by email to cinsw-corruptionandpid@health.nsw.gov.au

Matters referred to ICAC or NSW Police may lead to criminal proceedings. Offenders can expect to be required to repay the full cost of any theft, misappropriation or improper benefit, including interest. If the offender has monies owing by the Institute, such sums may be offset against any inappropriate benefit obtained.

Investigations

Investigations will be conducted with the urgency and priority established at the time the investigation is requested or as the circumstances determine. The provisions of the *ICAC Act 1988* need to be complied with as well as those under the *Public Interest Disclosure Act 2022* need to be considered, as well as the NSW Health's policy [Corrupt Conduct - Reporting to the Independent Commission Against Corruption \(ICAC\) - PD PD2016_029](#), and [Managing Misconduct - PD2018_031](#).

Particular attention needs to be paid to ensuring that any person making a report of suspected misconduct such as a Public Interest Disclosure, or as a witness providing evidence to any subsequent investigation, are to have their identities treated with the utmost confidentiality.

Investigative work normally takes the form of a preliminary fact-finding investigation undertaken by a suitably qualified audit firm selected from the NSW Procurement panel contract SCM0005, and it is important that this work proceed at the earliest practicable opportunity, with findings to be supplied to the Chief Executive Officer with a base period for such work set at twelve weeks (to draft report stage). This does not include the time required for management comments, advice sought from MOH Legal Branch (nswh-legalmail@health.nsw.gov.au) and responses from those subject to the allegations.

The functional area being investigated is not required to fund the cost of the fact-finding auditor, and any subsequent misconduct investigation if required. These costs will be considered a corporate expense.

An investigation Terms of Reference will need to be submitted to the Chief Executive Officer for approval and include nature of allegations, scope of work, resources, anticipated timeframe, context of environment, and statement of authority to do work.

When a contracted internal audit firm is used, a dedicated resource from within the Office of the Chief Executive will be allocated to help source files, policies and procedures for the investigator, and to organise interview rooms and correspondence with all interviewees.

This may require significantly more effort than envisaged due to the care required in dealing with all staff and any external customers, and ensuring every person identified in the investigation process is given every opportunity to present their version of events. The Associate Director People and Culture must be consulted at each stage during the planning, conduct, reporting and follow up of all investigative activity.

If the fact-finding investigation recommends that there are sufficient grounds for a misconduct investigation to commence, the Chief Executive Officer must be advised immediately. The process for disciplinary action is covered in the NSW Health Policy [Managing Misconduct \(PD2018_031\)](#), and the Director Operations, Strategy and Performance and or the Associate Director People and Culture must take carriage of the matter. **All misconduct investigations must be performed by a qualified investigator sourced from the Director Regulation and Compliance at MoH.**

All probity related investigations must be reported to the next meeting of the Audit and Risk Committee (in de-identified form) by the Chief Audit Executive (CAE) to identify the key risks and share lessons learnt. All external letters / reports regarding investigative matters should be signed out by the Chief Executive Officer.

Under s.60 of the *Public Interest Disclosure Act 2022*, a person making a report of serious wrongdoing may request an internal review of that decision. The request must be in writing and conducted by a suitably qualified person, appointed by the Chief Executive Officer, with no previous involvement in the matter.

6. Gifts and Benefits

A gift or benefit is anything of value that is offered to a staff member that is over and above their normal salary or employment entitlements. This can include free (or less than market value) accommodation, entertainment, hospitality, travel or material goods.

Staff may be offered gifts or benefits for a variety of reasons and in many different circumstances. The way that the Institute and its staff members handle these situations is crucial to avoiding unprofessional and unethical conduct or the perception that such conduct has occurred.

Token Gifts

Gifts categorised as token gifts are inexpensive gifts of gratitude such as a bunch of flowers, of nominal value up to \$75 (excl GST). Token or inexpensive gifts may only be accepted if offered as a gesture of appreciation, and not to secure favour. Acceptance of the gift must be declared in line with this Framework.

When a staff member suspects (or is aware) that the value of the gift is beyond a nominal amount or may be part of an attempt to secure favour, they should politely decline the offer, explaining that accepting it would breach the NSW Health policy.

A gift offered by the Institute may not exceed \$75 (GST ex) in value, must conform with the requirements of section 2.3 of [NSW Health Gifts and Benefits Policy PD 2015-045](#), and the expense must be first approved by the Director Operations, Strategy and Performance. This does not extend to gifts of government property, refer Schedule 2 (2.2) of the [Institute's Delegations Manual](#).

Non-token Gifts

Gifts or other benefits not essentially token or inconsequential in kind and exceeding the nominal value of \$75 must not be accepted unless:

- it is not obtained by virtue of a staff member's office or position;
- where a gift is given to a staff member in a public forum in appreciation for the work, assistance or involvement of the staff member or health service, and refusal to accept the gift would cause embarrassment or affront (NOTE: the issue of causing embarrassment or affront does not apply to gifts offered by commercial organisations); or
- in circumstances generally approved and communicated by the Chief Executive Officer; or on any other occasion with the formal written approval of the Chief Executive Officer, preferably obtained beforehand.

If accepting gifts in these circumstances, staff members must indicate that they are accepting the gift on behalf of the Institute. Receipt of the gift must be reported as soon as possible to the Director Operations Strategy and Planning (or the Board Chair, in cases where the Chief Executive Officer is the recipient).

Responsibilities of staff

All staff members are required to report, as soon as possible, the receipt of a gift or benefit to their manager.

Staff must not:

- Expect to receive anything for doing what they are paid to do.
- Seek any payment, gift or benefit, for themselves, friends or relatives.
- Accept gifts of cash, or near cash items such as gift cards, under any circumstances.
- Accept gifts, rewards, travel or meals from commercial suppliers or vendors of NSW Government.
- Utilise or otherwise make use of the gift or benefit before formal approval is given.
- Fail to declare a gift or benefit on the approved form to cinsw-faq@health.nsw.gov.au.

Reporting gifts and benefits - Staff members

Staff members are required to declare gifts and benefits using the [Gifts and Benefits Declaration form](#) on the Institute Intranet and then email the partially completed Gifts and Benefits Declaration Form to cinsw-faq@health.nsw.gov.au for the Coordinator Operations, Strategy and Performance to review and onforward to the staff members line manager.

Coordinator Operations, Strategy and Performance

The Coordinator Operations, Strategy and Performance is responsible for receiving and forwarding gifts and benefit declarations from the staff member to their line manager, and forwards those emails to the Director Operations, Strategy and Performance for consideration and, if allowable, approval.

Recording the receipt of gifts and benefits in the Institute's Gifts and Benefits register (if approved or unapproved) and notifying the manager and staff member of the outcome is also performed by the Coordinator Operations, Strategy and Performance.

Reporting gifts and benefits - Managers

Managers who receive an email notification that a staff member has received a gift or benefit should assess whether the gift or benefit is token in nature, and that it has been offered only as a gesture of appreciation, and not to secure favour.

If the manager is satisfied that the gift or benefit is token in nature and offered only as a gesture of appreciation, the manager should reply to the email, noting they have approved the receipt of the gift or benefit.

Where the manager has any reservations about whether the gift or benefit is appropriate, may be an attempt to secure a favour, or determines that the gift or benefit is non-token in nature, they should provide that advice to the Coordinator Operations, Strategy and Performance when replying to the email.

Manager Governance, Risk and Compliance

The Manager Governance, Risk and Compliance provides an advisory service to all staff and management on Gifts and Benefits but is unable to approve the receipt of any gifts or benefit, this includes managers uncertain about how to assess a gift and benefit declaration before replying to an email.

Director Operations, Strategy and Performance

The Director Operations, Strategy and Performance is the authorised officer for the rejection or approval of all token and non-token gifts.

The Director Operations, Strategy and Performance will also review those declarations that have been forwarded from managers who have reservations about whether the gift may be accepted by the staff member.

Where receipt of the gift or benefit is approved, the Director Operations, Strategy and Performance will notify the Coordinator Operations, Strategy and Performance for communication of the decision to the staff member, their manager, and for recording in the Institute's Gifts and Benefits Register.

Where receipt of the gift or benefit is not approved, the Manager Governance, Risk and Compliance will liaise directly with the staff member and manager providing instructions on what to do with the gift or benefit (this can include returning a gift to the offeror or keeping the gift for use by the organisation). This information is also to be forwarded to the Coordinator Operations, Strategy and Performance, for recording in the Institute's Gifts and Benefits register.

7. Conflicts of Interest Reporting

Everyone has interests that are personal to them or someone close to them and sometimes these interests may conflict with the decisions they make or the actions they take at work. Having personal interests is not necessarily a problem – it is how they are dealt with that is important.

A conflict of interest exists when it is likely that a staff member could be influenced, or perceived to be influenced, by a personal interest when carrying out their public duty. Conflicts of interest that are wilfully concealed may constitute a breach of the Code of Conduct.

Disclosure of Interests

The Institute is committed to ensuring that interests of any kind are dealt with consistently, transparently and with rigour.

An “Interest” is defined in as meaning “any direct or indirect, pecuniary or non-pecuniary, interest.”

A material personal interest arises in any situation in which an employee or network member has an interest which may influence, or be perceived to influence, the proper performance of the Institute’s responsibilities. The perception of an interest is as important as any actual interest.

What is a Conflict of Interest?

Conflicts of interest can be actual, perceived or potential.

- An **actual** conflict of interest involves a direct conflict between a staff member’s current duties and responsibilities and existing private interests.
- A **perceived** or apparent conflict of interest can exist where it could be perceived, or appears, that a staff member’s private interests could improperly influence the performance of their duties – whether or not this is in fact the case.
- A **potential** conflict of interest arises where a staff member has private interests that could conflict with other official duties in the future.
- A **pecuniary** is an interest with a reasonable likelihood or expectation of financial gain or loss to the person or someone closely associated with them.
- A **non-pecuniary** conflict of interest does not relate to money, but the non-financial gain or loss to themselves or someone closely associated with them.

A Conflict of Interest exists where there is a divergence between the individual interests of a person and their professional responsibilities such that an independent observer might reasonably conclude that the professional actions of that person are unduly influenced by their own interests. Conflict of interests have the potential to compromise judgments and decisions that should be made impartially.

The following provides some examples of situations where a conflict of interest may, or may not, arise or exist. It is impossible to define all the potential areas where a conflict of interest may arise and therefore if you are in any doubt as to whether a conflict may exist, you should seek advice from your supervisor in the first instance.

Situations that may generate a conflict of interest can arise out of:

- personal relationships with NSW Health colleagues, either current or previous
- personal or commercial relationships with persons with whom the Institute is dealing, for example contractors or tenderers
- personal financial interests in matters which involve the Institute

- unapproved secondary employment and or external directorships
- use of confidential information obtained in the course of Institute duties
- external activities and public comment
- membership of a tender or recruitment panel
- external directorships and secondary employment.
- academic appointments, relations with universities and research institutions

The perception that a Conflict of Interest exists is also a serious matter and raises concerns about the integrity of individuals or the management practices of the institution.

Your interest/s declaration will enable the Institute to determine whether or not, after the interest has been declared, you should be involved in the activity / network, and if you are to be involved, the scope of such involvement.

Secondary Employment

It is a requirement of the NSW Health Code of Conduct for all staff in NSW Health to obtain approval for secondary employment whether paid or unpaid. Secondary employment is considered a major source of conflict, and needs to be approved by the Institute delegate, this includes academic work for universities, research institutions and not for profits. The Conflicts of Interest form has link to the Other (secondary) Employment form.

Conflicts of Interest and Grants

Staff working on the promotion, awarding and management of grants need to be alert to the reality that relationships with universities and research institutions and Institute staff are often potential sources of conflict. As the below extract from the NSW Cabinet Offices Grants Administration Guide makes clear identifying and managing these conflicts is essential.

‘These processes must guard against actual or perceived conflicts of interest. A conflict of interest arises when a reasonable person might perceive that a Minister’s or an official’s private interests could be favoured over their public duties. Officials involved in grants administration should not have a direct or indirect interest that may influence the administration of a particular grant activity. When designing the assessment process, officials must consider and develop a plan for managing any conflicts of interest that might arise. Mechanisms should be in place to manage potential conflicts of interest, such as a register of interests and procedures for declaring interests.’³

Accordingly, Institute staff involved with grants administration, in any capacity, are required to make declaration, or update their existing, Conflict of Interest declaration immediately they become aware of any conflict.

Disclosure of interest at time of appointment

Upon appointment to an Institute committee, or invitation to participate in an Institute sponsored clinical network, you will be asked to declare any actual or perceived interests you have. using the [Conflicts of Interest Disclosure Form](#).

³ Grants Administration Guide, March 2024, p-26, https://www.nsw.gov.au/sites/default/files/2024-03/grants-administration-guide-2024_0.pdf

Standing item for committee agendas

All Institute committees and agendas must have as the first item of business the opportunity for conflicts of interest to be declared for the minutes and subsequent completion of the declaration form, if not already performed. Suggested text is provided below.

Conflict of Interest Declarations

Members to declare whether they have any conflict of interest in any item of business on the agenda. Interest includes any pecuniary or other interest in relation to the matter being considered and includes shareholders, ownership, employment, being the past or future recipient of benefits in any form from another entity also having an interest in the matter being considered, as well as any known family, social, business, or other relationship, past present or future with owners, principals or agents of such other entity.

Institute Committees with external members.

External parties often are able to make important contributions on these Committees due to their wide range of connections including industry connections, however these do need to be recognised, at the very least, as potential or perceived conflicts of interest. Institute Committees that have external parties and are supported by the Institute (provide the Secretariat function) can utilise the [Conflicts of Interest Disclosure Committees Form](#) for external parties to complete. Unlike staff declarations, these are not maintained in the Institute Conflicts of Interest Register but are kept in a separate [Committee Conflicts of Interest register](#), a template for which can be downloaded from the [Hub](#). Regardless these records remain confidential, and it is the responsibility of the relevant manager to ensure these are securely stored in RMS.

Responsibilities of staff

Staff members have a responsibility in respect of their public duty to:

- Be aware of their obligation to identify and assess private and personal interests and whether they conflict or have the potential to conflict with their official duties.
- Avoid, where possible, conflicts of interest and appropriately manage those conflicts of interest that cannot be avoided.
- Declare immediately any conflict of interest or potential conflict of interest to their immediate supervisor, or if serving on an external committee sponsored by the Institute to that committee's Chair.
- Treat all persons equally and fairly and not show preference to any individual or organisation.

Reporting your conflicts of interest

In the first instance, if a staff member determines that they have an actual or potential conflict of interest it should be reported to their immediate supervisor, using the [Conflicts of Interest Disclosure Form](#), or update their existing declaration and forward it to their supervisor. The completed and signed form must then be forwarded to the Institute's Manager Governance, Risk and Compliance for recording in the Institute's Conflict of Interests register.

A periodic review (at least annually) should be conducted by the relevant Institute manager to determine if the conflict of interest still exists and that the management strategies are current and appropriate.

Reporting suspected conflicts of interest held by another

If staff members or members of a clinical network apprehend that another staff member may have a potential conflict of interest that has not been disclosed, they should report the matter to their immediate supervisor. If that is not practicable then they may utilise the reporting arrangements detailed in the Institute's Fraud and Corruption Control Framework.

Managing conflicts of interest

The Institute is required to maintain a conflict of interest register that records details of conflicts of interest and how they have been managed. Choosing the right option to deal with the conflict will depend on the circumstances of the matter and an objective assessment of it.

Key considerations include:

Registering the conflict of interest in a formal register

ALL conflicts of interest must be registered, however for minor or perceived conflicts of interest, no further management action may be needed after the conflict is disclosed and registered. The conflict may be managed by disclosure.

Restricting the involvement of the individual in the matter that gives rise to the conflict

This may include abstaining from voting, withdrawing from discussion of affected proposals or having restricted access to sensitive information. This strategy can be useful when it is possible to separate the individual with the conflict from parts of the activity or process, or when the conflict is not likely to arise frequently.

Removing the individual with the conflict from the matter entirely

This may be appropriate where the conflict is serious and or ongoing.

Divesting the private interest

Where employee with a conflict wishes to continue with their involvement in an Institute activity an option is for them to divest themselves of the conflict of interest. The relevant Institute manager will need to satisfy themselves that this has occurred and document this in the Institute Conflict of Interest Register.

Recruiting an independent third party to oversee part or all of the process that deals with the matter

Managers may find this useful when it is not practical or desirable to remove the individual with the conflict from the decision-making process, such as in small communities, or when there is specific expertise that needs to be retained (e.g. for tendering or recruitment selection panels).

NSW Health Code of Conduct

If a staff member is unwilling to meaningfully deal with an identified Conflict of Interest their manager is refer the matter in writing to the Institute Manager Governance Risk and Compliance for an initial assessment as to whether the Code of Conduct has been breached.

Appendix 1 Institute Fraud and Corruption Accountability Matrix

Fraud and Corruption Prevention - Accountability Matrix							
Management Action	At least once	At orientation	Ongoing	Fortnightly	Monthly	6 monthly	Annually
Ethical Framework							
Directors/Managers are to ensure that all staff members have read and understood the content/conditions of NSW Health's current Code of Conduct and staff member has signed a copy. This also applies to secondees and contractors. Whilst the employee only has to sign once, the Director should ensure annually that everyone has read, understood and signed the declaration.		x					x
Directors/Managers are to ensure all staff are aware of the Institute's policy on Conflict of Interest (COI) and Gifts and Benefits, perform duties in a fair and unbiased way and not make decisions which are affected by self-interest or personal gain.		x					x
COI (or potential conflicts) are reported to the staff member's supervisor and recorded in the COI Register maintained by the Manager Governance, Risk and Compliance.			x				
All gifts and/or benefits received are reported via submission of the Gifts and Benefits form.			x				
Directors and People Managers are to ensure all staff have undertaken the HETI online Fraud and Corruption Prevention, and PID modules.							
Directors/Managers are to ensure that all staff are aware of the PID policy requirements on reporting corrupt conduct.		x					x
Directors/Managers are to ensure matters relating to suspected Fraud Risk and Corruption within the Institute are to be referred to the Chief Executive Officer, Chief Audit Executive, and the Manager Governance, Risk and Compliance.			x				

Fraud and Corruption Prevention - Accountability Matrix

Management Action	At least once	At orientation	Ongoing	Fortnightly	Monthly	6 monthly	Annually
Directors/ Managers must identify, assess, eliminate or minimise the potential for workplace bullying and be aware of their responsibilities under the NSW Health policy on The Prevention and Management of Workplace Bullying .			x				
Staffing							
Directors / Managers are to ensure that all staff have current, up to date, role description.		x	x				
Directors / Managers are to ensure that for all staff there is an annual performance agreement that sets out individual performance objectives linked to the corporate objective as well as capabilities they are required to demonstrate in their role.							x
Directors / Managers are to ensure that for all staff there are regular performance reviews of progress of achieving objectives of the performance agreement with a formal review at least annually.			x			x	
Engagement of Consultants and Contractors							
Directors/ Managers are to ensure that the engagement and management of consultants and contractors is undertaken in line with the requirements of the Institute's Delegations Manual and as by the Institute's Procurement Partner at HealthShare.			x				
Directors/ Managers are to ensure Consultants or Contractors do not supervise employees or exercise delegations.			x				

Fraud and Corruption Prevention - Accountability Matrix

Management Action	At least once	At orientation	Ongoing	Fortnightly	Monthly	6 monthly	Annually
Information Management and Communication							
Directors/ Managers are to review the security of information/ documentation held by the Directorate, ensure privacy of patient information and that staff are aware of their obligations under the <i>Health Records and Information Privacy Act 2002</i> .			x				
Directors/ Managers are to ensure all staff have undertaken appropriate Recordkeeping training and are kept aware of their recordkeeping responsibilities.		x	x				
Directors/ Managers are to ensure that files are not disposed of outside the relevant Functional Retention and Disposal Authority issued by State Records, and with guidance from the Institute's Records Manager.						x	
Directors/ Managers are to ensure all staff are aware of the NSW Health policy for Electronic Information Security and Communications Systems and Use of NSW Health Communications Systems.		x	x				
Directors/ Managers are to ensure all staff read and sign the Institute Privacy and Confidentiality Agreement and provide completed forms to the Manager Governance Risk and Compliance.		x					x

Appendix 2 Institute Fraud and Corruption Control Plan

Management Action	At least once	At orientation	Ongoing	Fortnightly	Monthly	6 monthly	Annually
All staff lodge a Conflict-of-Interest declaration upon appointment.							
Review of Fraud Risk Register by CAE as part of the formal annual refresh of the Enterprise Risk Register and Strategic Internal Audit plan							
Review of timing of the next Fraud Risk Assessment to be incorporated in the annual update to the Strategic Internal Audit plan by the CAE.							
Annual Fraud Health Check staff survey, based on the Audit Office of NSW Fraud Control Toolkit survey, to be issued by the Chief Executive Officer, with results analysed to identify any systemic weakness in awareness levels and fraud controls.							
All finalised fraud investigation key details and results (respondent's details de-identified) inputted into a spreadsheet to track trends by CAE.							
NSW Ombudsman and HETI online PID awareness training promoted via an all-staff email from the Chief Executive Officer to be arranged by CAE.							
NSW ICAC on-line corruption prevention course opportunities to be circulated for management and staff by the CAE.							
Fraud Risk Assessment to be performed by CAE with relevant management personnel each time the organisation structure is changed.							

Appendix 3 Examples of fraud and corruption

The following list is not exhaustive but includes some of the more common examples of fraud and corruption in the public sector:

Theft of assets, such as:

- equipment, consumables, supplies, cash, and information.

Unauthorised or illegal use of assets:

- information or services for private purposes, including computers, including email and the Internet;
- motor vehicles;
- clerical and other support;
- confidential information;
- equipment, including photocopiers, and telephones and
- the Institute's, or any Health entity name or logo e.g. through use of letterhead or staff authority/access card.

Abuse of position and power for personal gain, such as:

- seeking and obtaining bribes or other gifts in exchange for favourable treatment; and
- Conflicts of interest in staff or contractor / consultancy / academic appointments.

Manipulation and misuse of account payments, such as:

- fictitious employees on the payroll;
- ordering equipment for private and personal use;
- favouring suppliers whose costs are not as competitive as other suppliers;
- unauthorised approval to pay;
- diversion of proceeds; and
- writing off debts.

Falsification of records, including:

- timecards in stafflink;
- travel claims;
- purchase orders;
- petty cash vouchers; and
- certificates of competency or qualification.

Manipulation of computer programs for improper purposes, such as:

- unauthorised alteration of input data;
- misappropriation, destruction or suppression of output data;
- alteration of computerised data;
- alteration or misuse of software programs; and
- unauthorised and /or deceptive electronic transfer of funds.

Appendix 4 – List of NSW Government Integrity Agencies

Integrity agency	What they investigate	Contact information
The NSW Ombudsman	Most kinds of serious maladministration by most agencies and public officials (but not NSW Police, judicial officers or MPs)	Telephone: 1800 451 524 between 9am to 3pm Monday to Friday Writing: Level 24, 580 George Street, Sydney NSW 2000 Email: info@ombo.nsw.gov.au
The Auditor-General	Serious and substantial waste of public money by auditable agencies	Telephone: 02 9275 7100 Writing: GPO Box 12, Sydney NSW 2001 Email: governance@audit.nsw.gov.au
Independent Commission Against Corruption	Corrupt conduct	Telephone: 02 8281 5999 or toll free on 1800 463 909 (callers outside Sydney) between 9am and 3pm, Monday to Friday Writing: GPO Box 500, Sydney NSW 2001 or faxing 02 9264 5364 Email: icac@icac.nsw.gov.au
The Inspector of the Independent Commission Against Corruption	Serious maladministration by the ICAC or the ICAC officers	Telephone: 02 9228 3023 Writing: PO Box 5341, Sydney NSW 2001 Email: oiicac_executive@oiicac.nsw.gov.au
The Law Enforcement Conduct Commission	Serious maladministration by the NSW Police Force or the NSW Crime Commission	Telephone: 02 9321 6700 or 1800 657 079 Writing: GPO Box 3880, Sydney NSW 2001 Email: contactus@lecc.nsw.gov.au
The Inspector of the Law Enforcement Conduct Commission	Serious maladministration by the LECC and LECC officers	Telephone: 02 9228 3023 Writing: GPO Box 5341, Sydney NSW 2001 Email: oilc_executive@oilc.nsw.gov.au
Office of the Local Government	Local government pecuniary interest contraventions	Email: olg@olg.nsw.gov.au
The Privacy Commissioner	Privacy contraventions	Telephone: 1800 472 679 Writing: GPO Box 7011, Sydney NSW 2001 Email: ipcinfo@ipc.nsw.gov.au
The Information Commissioner	Government information contraventions	Telephone: 1800 472 679 Writing: GPO Box 7011, Sydney NSW 2001 Email: ipcinfo@ipc.nsw.gov.au