

## BP8042 - Conflicts of Interest Policy

Document Owner	Executive Manager People, Culture and Safety
Document Author	Senior Lawyer, Governance & Compliance
Supporting Legislation and Documents	<a href="#">Crime and Corruption Act 2001 (Qld)</a> <a href="#">Public Sector Ethics Act 1994 (Qld)</a> <a href="#">South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)</a>
Documents Directly Related	<a href="#">BP8041</a> - Governance Policy <a href="#">BP8036</a> - Code of Conduct - Team Members <a href="#">BP11023</a> - Code of Conduct - Suppliers and Contractors <a href="#">Pr8166</a> - Guide to the Code of Conduct for Team Members <a href="#">Pr8164</a> - Corporate Entertainment Procedure <a href="#">Pr8163</a> - Gifts and Benefits Procedure <a href="#">Online Conflict of Interest Declaration Form</a> or <a href="#">F10627</a> - Conflict of Interest Declaration Form

### 1. Policy Statement

Unitywater is committed to undertaking its work in a fair and unbiased way without being influenced by improper considerations. Unitywater team members are also required to ensure appropriate use and disclosure of information.

### 2. Purpose and Objectives

Unitywater is committed to ensuring that:

- a. all potential conflicts of interest are identified and recorded;
- b. conflicts of interest are avoided where possible; and
- c. conflicts which cannot be avoided are managed in a transparent way.

The purpose of this policy is to provide all Unitywater team members with a clear understanding of the conduct expected of Unitywater team members in the identification and management of conflicts of interests.

### 3. Policy Scope/Coverage

This policy applies to all Unitywater team members, which for the purpose of this document, includes:

- a. Unitywater employees (including permanent, casual and fixed term contracted employees);
- b. Board members; and
- c. Contractors, consultants, volunteers, students, visitors or external labour hire engaged by or associated with Unitywater who are involved in any work for, on behalf of or as agents for Unitywater.

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### 4. Roles and Responsibility

#### 4.1. Unitywater team members

Unitywater team members are required to disclose all actual, and potential conflicts of interest whether pecuniary or non-pecuniary according to this policy. It is the responsibility of each team member to make such disclosures to their line manager whether or not there is a statutory requirement to do so.

All Unitywater team members are responsible for:

- a. making decisions free of conflicts and carrying out their duties to a high ethical standard;
- b. avoiding conflicts of interest and resolving conflicts appropriately and in the public interest;
- c. identifying and disclosing their conflicts of interests promptly, fully and appropriately to their line manager;
- d. assessing the risks associated with their conflicts of interest;
- e. proposing actions to limit or manage the risks associated with the conflicts of interest;
- f. excusing themselves from any decision affected by the conflict until the risks have been addressed; and
- g. addressing conflicts of interest risks appropriately and as directed.

In addition, team members who possess price sensitive information concerning a supplier or counterparty must not engage in insider trading.

If a team member fails to make the necessary disclosure about their own conflict of interest, they may be liable to disciplinary action or prosecution for corruption.

Refusal to take any action directed by Unitywater to resolve a conflict of interest may also be in breach of Unitywater's Conflicts of Interest Policy and Code of Conduct – Team Members (BP8036).

#### 4.2. Members of the Board and Executive

All Unitywater Board Members and Executives will, on appointment, complete a statement of interests identifying all actual and potential conflicts of interest whether pecuniary or non-pecuniary. Board Members and Executives make a new statement of interests each year. Board Members and Executives must update their statement of interests if there is a change in circumstances during the year.

In compliance with section 42 of the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* (Qld), if a Member of the Board has an interest that could conflict with the proper performance of their duties, the member must disclose the nature of the interest to a board meeting. Unless the board otherwise directs, the interested member must not be present when the board considers the issue or take part in a decision of the board about the issue.

#### 4.3. Supervisors and Managers

The direct supervisor or manager (line manager) of a team member disclosing a conflict of interest is responsible for excluding the team member from the conflicted process unless expressly directed otherwise by their Executive Manager. If the line manager does not exclude the team member from the process, the line manager is to disclose the conflict of interest to the Senior Lawyer, Governance and Compliance, explaining why the management of the conflict is appropriate, and monitoring compliance with the management strategy. Monitoring compliance may include but is not limited to confirming what actions and omissions have occurred to reduce the risks associated with the conflict of interest. The manager or supervisor should also confirm whether the agreed access and privilege level controls have been implemented. Supervisors and managers are required to maintain records of the actions they have taken to ensure the conflict of interest has been managed as agreed.

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### 4.4. Executive Manager People, Culture and Safety

As Document Owner is responsible for:

- Conducting and/or delegating regular reviews to ensure this policy and related resources (e.g. procedures, forms, website content) remain fit for purpose, consistent and current.
- Approving this policy for publication (and/or seeking Board approval where required).
- Ensuring all relevant stakeholders and team members have been consulted and feedback is captured and actioned (where applicable).
- Ensuring appropriate communication and/or training is provided to relevant team members when implementing a new, amended or obsolete document (where applicable).
- Monitoring compliance with internal/external requirements (e.g. monitor legislation changes and assess/update this policy when required).

### 4.5. Senior Lawyer Governance and Compliance

The Senior Lawyer, Governance and Compliance is responsible for:

- Maintaining records regarding conflicts of interest and registering conflicts of interest details on the conflicts of interest register;
- Auditing the risk assessments and risk mitigation actions undertaken by Unitywater team members every six months;
- Monitoring the trends in conflict of interest disclosure across the business and reporting any changes in trends or underreporting that may be occurring to the Audit and Risk Committee;
- Providing information and training to the business in relation to conflicts of interest disclosure at least annually;
- Providing a point of contact for anyone wanting information or advice about conflicts of interests including definitions and applications;
- Receiving complaints and grievances of possible breaches of the conflicts of interest policy, investigating these (or appointing an investigator as appropriate) and enforcing policy compliance;
- Ensuring that the conflicts of interest communication strategy is implemented and reviewed to assess effectiveness; and
- Ensuring the Conflicts of Interest Policy (BP8042) is kept current.

### 4.6. Recruitment function

Unitywater recruitment panel members must declare their conflicts of interest to their line manager in relation to each applicant as soon as practicable after becoming aware of their identity. If a conflict of interest is identified, the recruitment team must reallocate the task to a team member who is not conflicted unless expressly directed by the Executive Manager People, Culture and Safety. If a conflict of interest cannot be managed by the line manager in this way, it must be reported to the Senior Lawyer, Governance & Compliance.

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### 4.7. Procurement function

Unitywater team members involved or assisting in procuring goods or services (including construction works) for Unitywater must declare their conflicts of interest in relation to each purchase or potential purchase to their line manager as soon as practicable after the (potential) suppliers have been identified. The line manager is responsible for dealing with the conflict according to Section 4.3 Supervisors and Managers of this policy.

If a conflict of interest is identified in relation to a Procurement Led Market Approach, the person leading the Procurement Led Market Approach is responsible for excluding the person from the procurement. If it is not possible to exclude a person from the procurement, the person leading the approach is responsible for ensuring a copy of the conflict of interest declaration and a description of the actions proposed to manage the conflict of interest risks is notified to the Senior Lawyer, Governance and Compliance. If a conflict of interest is identified in relation to a Business Led Market Approach, the person leading the Business Led Market Approach is responsible for this process.

### 4.8. Treasury function

Any team members requesting a new supplier be engaged (not merely the person completing the new supplier form) are to declare relevant conflicts of interest to their line manager prior to engaging the new supplier. The line manager is responsible for dealing with the conflict according to section 4.3 Supervisors and Managers of this policy.

### Infrastructure planning and/or development functions

Unitywater team members making decisions or accessing information in relation to infrastructure planning or developments for Unitywater are required to declare their conflicts of interest as soon as practicable after becoming aware of the conflict of interest in relation to each project or development to their line manager prior to starting the work. The line manager is responsible for dealing with the conflict according to section 4.3 Supervisors and Managers of this policy.

### 4.9. Investigations function

Unitywater team members tasked with investigating a matter must have no actual, perceived or potential conflict of interest in relation to that matter and must recuse themselves from the investigation if any conflict arises prior to, or during an investigation.

## 5. Definitions

To access the Unitywater Definition library click [here](#). If definitions are provided below, it means either the word and/or acronym is:

- not contained within the definition library; or
- has a different meaning in the context of this document.

Term	Meaning
Actual Conflict of Interest	An actual conflict of interest involves a direct conflict between the current duties and responsibilities of a Unitywater team member and their existing private interests.
Board Member	Means a person appointed to the Unitywater Board in accordance with s.33 of the <i>South-East Queensland Water (Distribution &amp; Retail Restructuring) Act 2009</i> .
Business Led Market Approach	Means a market approach where Procurement are not engaged to lead the market approach.

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Term	Meaning
Conflict of Interest	A 'conflict of interest' involves a conflict between the public duty and private interests of a Unitywater team member in which the team member has a private interest which could improperly influence the performance of their official duties and responsibilities.
Executive	The Chief Executive Officer (CEO) or a direct report to the CEO.
Insider trading	A person who possesses price sensitive information trading in securities of a company to which that information relates, or making available to another person that price sensitive information or related information where the other person will, or would be likely to, trade or facilitate the trading in the securities of a company to which that information relates.
Non-pecuniary interest	A non-pecuniary interest is a private interest that does not have a financial component. Non-pecuniary interests may arise from personal or family relationships, or from a person's involvement with a community or sporting organisation. They include any tendency toward favour or prejudice resulting from friendship, animosity, or other personal involvement with another person or group.
Pecuniary interest	A pecuniary interest involves an actual or potential financial gain. Pecuniary interests may result from Unitywater team members (or a related party) owning property, holding shares or a position in a company bidding for Unitywater work, accepting gifts or hospitality, or receiving an income from a second job. Money does not need to actually change hands for an interest to be pecuniary.
Perceived conflict of interest	A perceived conflict of interest (also known as an apparent conflict of interest) can exist where it could be perceived, or it appears, that a Unitywater team member's private interests could improperly influence the performance of their duties – whether or not this is in fact the case.
Potential conflict of interest	A potential conflict of interest arises where a public official has private interests that could conflict with their official duties in the future.
Price sensitive information	Information that is not generally available to investors, and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of particular securities which are listed or quoted on a securities exchange, e.g. Australian Securities Exchange (ASX), National Stock Exchange (NSX).
Private interest	Interests are those interests that can bring benefits or disadvantages to Unitywater team members as individuals or to others (such as family members) whom Unitywater team members may wish to benefit or disadvantage. Private interests are not limited to pecuniary interests or to interests that can bring direct personal gain or help avoid personal loss. They also include many social and professional activities and interests.
Procurement Led Market Approach	Means a market approach where Procurement are engaged to lead the market approach
Public duty	The duty expected of all Unitywater team members to put the public interest above their own personal or private interests when they carry out official Unitywater duties.
Public interest	Acting in the public interest means carrying out Unitywater's functions and duties in a fair and unbiased way and making decisions that are not affected by self-interest, private affiliations or the likelihood of personal gain or loss.
Securities	Equity or debt interests issued or managed by companies, including shares, debentures, options, units in a trust or fund and bonds.
Trading in securities	Buying or selling securities directly or indirectly, including through or in conjunction with related or associated parties like family members (e.g. parents, spouses, de facto partners and children), friends, companies, trusts, partnerships and self-managed superannuation funds.

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### 5.1 What is a pecuniary interest?

A person has a pecuniary interest (also known as a material personal interest) in a matter if they have or should reasonably have a realistic expectation that they or an associated individual stand to gain a benefit or suffer a loss, whether directly or indirectly.

- a. It is not necessary to be able to identify or quantify the benefit or loss that might either directly or indirectly be attributable to the person as a consequence of the relationship.
- b. Money does not have to change hands – the benefit could be an increase in the value of property or other material interest.

As soon as a pecuniary interest of an associate is recognized, the person must treat it as if it was their own pecuniary interest.

Pecuniary	Non-pecuniary
You have shares in a business which tenders for a contract with Unitywater.	Your child is a star player in a local sporting group which submits a grant application to your agency.
Your spouse owns a company in which you have no direct interest, which tenders for a contract with Unitywater.	One of your regular fishing buddies has submitted a tender to Unitywater and asks you to keep an eye on its progress.
You have a second job with a company which tenders for a contract with Unitywater.	An old enemy from schooldays who used to bully you is an applicant for a job with Unitywater.
You own property adjacent to a block of land which is the subject of an applicant to Unitywater for redevelopment.	You are the president of a local amateur operatic society which seeks sponsorship from Unitywater.
Your spouse is an applicant for a job with Unitywater.	You are in a voluntary organisation and in your spare time you draft a request for a concession on the water bill it pays to Unitywater.
You get confidential information about a Unitywater's contractor's business and rely on it to buy shares in the contractor.	You know some confidential information about a Unitywater's contractor and provide a tip to a friend to sell their shares in the contractor.

### 5.2 Actual, perceived or potential?

The following descriptions help tease out the differences between the types.

Actual conflict of interest	Perceived conflict of interest	Potential conflict of interest
A team member is in a position to be influenced by the private interests when doing their job.	A team member is in a position to appear to be influenced by their private interests when doing their job.	A team member is in a position where they may be influenced in the future by their private interests when doing their job.

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Scenario	Type of Conflict	Why is this so
<p>You're a town planner in a small regional agency and you and your supervisor regularly assess development applications.</p> <p style="text-align: center;"></p>	<b>No</b> conflict	<p>This is part of your assigned official duties, but you <b>have no relevant private interests</b> that may impact on carrying out these duties</p>
<p>You meet and marry a partner of a local architectural firm.</p> <p style="text-align: center;"></p>	<b>Potential</b> conflict	<p>Your <b>private interests are currently not relevant</b> to your official duties, but they could be in the future if your spouse's firm submits plans as part of a development application</p>
<p>Your spouse's firm submits plans to your agency as part of a development application, but your supervisor assesses the application.</p> <p style="text-align: center;"></p>	<b>Perceived</b> conflict	<p>Although you do not assess the application yourself, as a town planner in a small unit some may consider your own <b>private interests are relevant</b> to, and may have influenced, the development application.</p>
<p>Your supervisor allocates the file to you to assess a second development application submitted by your spouse's firm.</p> <p style="text-align: center;"></p>	<b>Actual</b> conflict	<p>As a town planner your <b>private interests are relevant</b> to your assigned official duties and could improperly influence your assessment, that is, your spouse is a related individual who stands to benefit or lose by the assessment outcome.</p>
<p>Your supervisor resigns and is not replaced quickly leaving you as the only town planner available to assess development applications, for a significant period of time</p>	<b>Potential</b> conflict	<p>As town planner your <b>private interests will be relevant</b> to your assigned official duties any time during this period that your spouse's firm submits plans to your agency.</p>

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### Procurement risk assessment matrix

Relevant matter	Low	Moderate	High	Very High
Type of relationship	- Industry or study relationship	- Work relationship - Bias or Request	- Debt relationship - Owner or investor relationship - Personal relationship	- Relationship incompatible with procurement, project or role
Timeframe of last contact	- Over two years ago	- Over two months ago	- Less than two months ago	
Involvement	Minimal involvement but may have access to information.	Declarant is in a position to provide advice or recommendation about an aspect of a supply contract (e.g. sub-evaluation panel)	Declarant can influence decision to award supply contract or the value of the award (e.g. evaluation panel)	
Reputational risk if not managed	- Single complaint	- Limited negative local media	- Negative local media (multiple)	- High level negative attention from multiple media outlets or significant adverse national or international media
Response	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to consider any changes to assessment</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant procurement or project team</li> <li>- Removing access to information (e.g. restricting Objective, not sharing information from other participants)</li> <li>- Removing the employee from being involved in all or part of the matter causing the conflict (e.g. not attending certain meetings)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant procurement or project team</li> <li>- Removing access to information</li> <li>- Removing the employee from being involved in all or part of the matter causing the conflict</li> <li>- Having a neutral third-party overseeing part or all of the process that deals with the matter.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant procurement or project team</li> <li>- Removing access to information</li> <li>- Relinquishing the private interest creating the conflict</li> <li>- Removing the employee from being involved in all or part of the matter causing the conflict</li> <li>- Having a neutral third-party overseeing part or all of the process that deals with the matter.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant procurement or project team</li> <li>- Removing access to information</li> <li>- Relinquish the private interest creating the conflict</li> <li>- Remove the employee from being involved in the matter causing the conflict.</li> <li>- Having the employee resign from their position</li> </ul> </li> </ul>



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### Recruitment risk assessment matrix

Relevant matter	Low	Moderate	High	Very High
<b>Type of relationship</b>	- Industry or study relationship	- Work relationship - Bias or Request	- Debt relationship - Owner or investor relationship - Personal relationship	- Relationship incompatible with recruitment, project or role
<b>Timeframe of last contact</b>	- Over two years ago	- Over two months ago	- Less than two months ago	
<b>Involvement</b>	Minimal involvement but may have access to information.	Declarant is in a position to provide advice or recommendation about the recruitment (e.g. discuss with interview panel)	Declarant can influence decision to recruit for the role (e.g. interview panel or formulate questions for interviewees)	
<b>Reputational risk if not managed</b>	- Single complaint	- Limited negative local media	- Negative local media (multiple)	- High level negative attention from multiple media outlets or significant adverse national or international media
<b>Response</b>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to consider any changes to assessment</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant recruitment or project team</li> <li>- Removing access to information (e.g. restricting Objective, not sharing information from other participants)</li> <li>- Removing the employee from being involved in all or part of the recruitment process (e.g. not attending interviews, not formulating questions)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant recruitment or project team</li> <li>- Removing access to information</li> <li>- Removing the employee from being involved in all or part of the recruitment process (e.g. not attending interviews, not formulating questions)</li> <li>- Having a neutral third-party overseeing part or all of the process.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant recruitment or project team</li> <li>- Removing access to information</li> <li>- Relinquishing the private interest creating the conflict</li> <li>- Removing the employee from being involved in all or part of the recruitment process</li> <li>- Having a neutral third-party overseeing part or all of the process.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>- Manager to record the conflict</li> <li>- Manager to oversee completion of response actions</li> <li>Manager to consider:               <ul style="list-style-type: none"> <li>- Communicating conflict to relevant recruitment or project team</li> <li>- Removing access to information</li> <li>- Relinquish the private interest creating the conflict</li> <li>- Remove the employee from being involved in the recruitment.</li> <li>- Having the employee resign from their position if incompatible with ongoing role</li> </ul> </li> </ul>