

CRC Programme Code of Conduct and Conflict of Interest Guidelines

CODE OF CONDUCT AND CONFLICT OF INTEREST GUIDELINES

CODE OF CONDUCT

Members of the CRC Committee and Appraisal Panel are expected to observe the following standards when involved in administration of the programme.

- Members should perform the duties of their position impartially, uninfluenced by fear or favour.
- Members should be frank and honest in official dealings with colleagues.
- Members should avoid any situation in which the private interests of themselves or of their immediate family, whether pecuniary or otherwise, conflict or might reasonably be thought to conflict with their public duty.
- Members should not use information obtained in the course of official duties to gain directly or indirectly a pecuniary or other advantage for themselves or for any other person.
- Members should adhere to the confidentiality requirements of the programme as outlined below.
- Members should not:
 - ⇒ solicit or accept from any person any remuneration or benefit for the discharge of the duties of their office over and above the official remuneration;
 - ⇒ solicit or accept any benefit, advantage or promise of further advantage, whether for themselves, their immediate family or any business concern or trust with which they are associated from persons who are in, or seek to be in, any contractual or special relationship with government;
 - ⇒ accept any gift, hospitality or concessional travel offered in connection with the discharge of the duties of the office except where the gift:
 - does not give rise to a conflict of interest and cannot be perceived as such by a reasonable outside observer;
 - is of a minor and non-recurring nature; and
 - has a value of less than \$50.
 - ⇒ Members should be scrupulous in their use of public property and services, and should not permit their misuse by other persons.
- Members should not allow the pursuit of their private interests to interfere with the proper discharge of their public duties.

CONFLICT OF INTEREST

Under the Cooperative Research Centres Programme a conflict of interest may arise in the following situations (this list is indicative, and not exhaustive):

- the direct involvement of a CRC Committee or Panel member in any current application under the programme or any established CRC, in the case of matters relating to existing CRCs such as monitoring and review and policy matters relating to established Centres;

- membership by Committee or Panel members of a university department or CSIRO Division or equivalent organisational subdivision involved in any current application under the programme or any established CRC, in the case of matters relating to existing CRCs such as monitoring and review and policy matters relating to established Centres;
- involvement by a Committee or Panel member in the senior management of any organisation involved in any current application under the programme or any established CRC, in the case of matters relating to existing CRCs such as monitoring and review and policy matters relating to established Centres (such as General Manager or Member of the Board of a Company, Director of an Institute in the CSIRO, Pro Vice Chancellor or Dean at a university);
- ownership of shares by a Panel or Committee member in a company involved in any current application or any established CRC, in the case of matters relating to existing CRCs such as monitoring and review and policy matters relating to established Centres, if that member owns more than 5% of the company's shares, or if the future of the company will be significantly affected by the creation of a Centre;
- the employer of the member is an entity which is a shareholder/partner/parent company of a company involved in any current application or any established CRC;
- a member or member's employer has a current contractual relationship with an organisation involved in a current application under the programme or any established CRC; and
- any personal, financial or other interests in any organisation which is involved in activities similar or related to activities proposed to be undertaken by CRC participants.

A conflict of interest may also arise where the spouse or immediate family of a Committee or Panel member has such involvement.

Conflict of Interest Guidelines

The CRC Committee should observe generally applicable standards concerning conflict of interest matters. Accordingly the CRC Committee should address indirect and direct pecuniary interests but also other personal or family interests.

The CRC Committee should be conscious that perceptions of conflict of interest may be as important as actual conflict. The following describes the procedures, based on the *Code of Conduct* for the CRC Committee.

- CRC Committee and Appraisal Panel members are required to disclose the nature of any direct or indirect pecuniary interest in matters considered or about to be considered by the Committee or Panel. To assist in maintaining a close focus on conflict of interest issues, an early agenda item at each CRC Committee and Appraisal Panel meeting should involve formal enquiry as to the existence of any conflict. These disclosures will be recorded in minutes of meetings.
- CRC Committee and Appraisal Panel members will prepare and lodge with the CRC Programme a *Record of Private Interest Statement* of the pecuniary (and other personal) interests of themselves and of their immediate family/spouse of which they are aware. The contents of the statement are strictly confidential and only used for the purpose of determining conflicts of interest. CRC Committee and Appraisal Panel members are required to provide a *Record of Private Interest Statement* annually and to update that information in the interim if there is any significant change in their private financial circumstances.

Formal procedures have been established for the handling of matters involving actual or potential conflicts of interest, which all CRC Committee and Appraisal Panel members are required to meet. These are set out below.

Declaring a conflict of interest

Committee and Panel members will advise the Chairman of the Committee or Panel in writing of any potential conflict of interest in relation to the CRC Programme, on appointment, at any time that such a conflict arises, or at any subsequent time as required by the Committee or Panel. If a member becomes aware of a conflict of interest during discussions in a meeting they will declare it orally in the meeting to the Chairman. All declarations of a conflict of interest shall be recorded in the minutes of the meeting and tabled at the next CRC Committee or Panel meeting.

Categories of Conflict of Interest

The following three categories of conflict of interest are to be used for the purposes of determining the appropriate response:

- **Category 1**

Those cases where, while it is appropriate and proper to notify the apparent conflict, the association with an application or an established CRC is of such a minor nature that it could not be reasonably construed as affecting the Member's ability to give the application or issue at hand full, unbiased and expert consideration.

- **Category 2**

Those cases where there is a clear association with the application or an established CRC which should be specifically made known to the Panel or Committee, but where it is not so direct that it should deprive the Panel or Committee of the Member's expertise and knowledge during the consideration of the application or the issue at hand.

- **Category 3**

Those cases where there is a clear personal involvement with an application or an established CRC eg. a Member is a key researcher or is similarly very closely involved within and responsible for the success of the proposal.

Unless the Committee or Panel determines otherwise:

- Members with category 1 conflicts should participate fully in the Panel's or Committee's deliberations and recommendations
- Members with category 2 conflicts should participate fully in all Panel or Committee deliberations relating to the selection of an application or an established CRC, but
 - ⇒ will not be given access to confidential parts of assessors' and referees' reports or to confidential material in agenda papers;
 - ⇒ will not take part in any Panel or Committee decision, eg on whether or not to recommend the application for interview or for funding (although they may be present when these decisions are taken unless the Chairman otherwise determines); and
 - ⇒ will not participate in the interview relating to the application.
- Members with category 3 conflicts should not participate in any discussion on that application, and
 - ⇒ will leave the room, where possible, during such discussion of the application;
 - ⇒ will not receive any referee or assessor reports on the application;
 - ⇒ will not take part in the decision making in relation to the application; and
 - ⇒ will not take part in any interview relating to the application.

Recording a potential conflict of interest

The Science Programmes Branch should endeavour to determine, with respect to a forthcoming meeting, whether any members are likely to declare a conflict of interest about any matters on the draft agenda. To assist in this process, the Science Programmes Branch will provide a copy of the meeting agenda, along with appropriate further identification, to all members prior to the distribution of papers and request members advise if they are likely to declare a potential conflict of interest in relation to any of the items listed for consideration. Papers relating to individual applications will not be forwarded to members until the Science Programmes Branch receives advice that they are unlikely to declare a potential conflict of interest in relation to the items listed for consideration.

Where a Member advises that they are likely to declare a potential conflict of interest in relation to a particular item listed for consideration, the Science Programmes Branch in consultation with the Chairman of the CRC Committee or Appraisal Panel as appropriate will be able to determine in the first instance the category of conflict of interest. Depending on the category determined, the member may not receive reports or information on that item.

Discussions regarding the member's interest will be deleted from the member's copy of meeting minutes, unless the CRC Committee or Appraisal Panel has decided that the member should be present during relevant discussion and decision making.

A Conflict of Interest is likely to be a category 1 conflict of interest where:

- the person's employer is the CSIRO, an agreed firewall protocol has been implemented, and the person is:
 - an officer of a CSIRO division other than the division associated with the application/CRC;
 - not an executive or in the head office of CSIRO;
 - not a Chief or Deputy Chief of any division; and
 - not involved in the research programme of an application or CRC.
- the person's employer is a higher education institution, where an agreed firewall protocol has been implemented, and the person is:
 - employed in a department of the higher education institution other than the department associated with the application/CRC;
 - not the Chancellor, Vice Chancellor, or Deputy Chancellor of the higher education institution associated with the application/CRC;
 - not a Dean or head of department of the higher education institution associated with the application/CRC; and
 - not involved in the research programme of an application or CRC.
- where the interest of the member is insignificant and unlikely to influence the member, for example where:
 - a member has a past contractual relationship with the company under consideration;

- a member was employed by the company under consideration but not within the previous two years;
- a member has an informal relationship with the company under consideration through an industry association or similar body;
- a member is a member of superannuation fund, the member is unable to exercise any control over the shareholdings and the fund holds shares in the company under consideration.

Confidential Information

The CRC Committee, Panels, CRC Programme staff and others involved in the programme handle a range of written material which is potentially of a confidential nature. For example, applications or schedules to Agreements may disclose information which is commercially sensitive. Referees may submit reports on proposals which contain confidential information about individuals, research groups or organisations.

In addition, Panel and CRC Committee members are sometimes given confidential information about CRC activities and staff, during interviews or reviews.

Committee and Panel members, staff members of the Department of Education, Science and Training and others who in the course of their official duties in relation to the CRC Programme are exposed to confidential information have a duty to keep this information confidential. The integrity and effectiveness of the CRC Programme selection and review processes will be severely compromised if confidentiality is breached. Committee and Panel members involved in the selection assessment and review process will need to ensure they have appropriate confidentiality agreements in place. DEST staff are required to observe confidentiality through the provisions of the Crimes Act and the Privacy Act.

There is also a need to remember that the CRC Programme is funded from the public purse, and selection, review and administrative processes should be transparent and conform to normal public accountability requirements. Clearly a balance will need to be maintained.

As a general rule, other than the general matters covered above, it is the responsibility of each CRC to clearly identify material that should be treated confidentially by the CRC Committee, Panels and the Department of Education, Science and Training.

A number of procedures have been put in place to assist in maintaining confidentiality:

- Members of the CRC Committee and Panels, and staff of the Department of Education Science and Training, are not to disclose either confidential information about applications or CRCs , or the private deliberations and decisions which take place during meetings (including committee meetings).
- Generally agreement to maintain confidentiality is implicit rather than explicit. However, where necessary, members of review Panels will be asked to sign confidentiality agreements before reviewing a Centre.
- Applications submitted are only made available to CRC Committee and Panel members, appropriate expert referees or assessors, others directly involved in the CRC Programme assessment process and other interested Commonwealth Government agencies.

- DEST gives no undertaking to keep information provided in the application process confidential unless that information is clearly identified by the applicant as information that the applicant considers should be treated as confidential, including the reasons for the request. Applicants are asked to indicate what information they are prepared to make available to the general public (eg the media), and this is generally limited to basic information including the participating organisations and contact person. Where interested members of the public need further information, they are directed to the applicants.
- DEST reserves the right to accept or refuse a request to treat information as confidential. DEST will use the criteria as set out in the Australian National Audit Offices' Report Number 38/2000 (*The Use of Confidentiality Provisions in Government Contracts*) as a guide when determining whether to accept a claim for confidentiality. The Report can be viewed at <http://www.anao.gov.au/WebSite.nsf/Publications/4A256AE90015F69BCA256A560027>
- All contractual information received in the Department of Education, Science and Training is kept confidential. Access is limited to those involved in the review process.
- Annual Reports are public documents which provide information on CRCs' activities and performance. In recognition of the fact that CRCs may wish to make some information available to review teams but not to the general public, CRCs may submit confidential information separate from the main body of the Annual Report.
- DEST's obligations to keep information confidential will not be breached if the information is authorised or required to be disclosed by law.