

NDS Quality and Safeguards Sector Readiness Project

Factsheet: Conflict of Interest

This resource has been developed to assist WA providers to meet the requirements of the NDIS Quality and Safeguards Commission related to **Conflict of Interest**.

NDIS registered providers are legally required to proactively manage real and perceived conflicts of interest. This includes identifying, declaring, and managing any conflict of interest including disclosing this information to the participant. [Am I ready to become a provider? Legal requirements and eligibility.](#)

This resource aims to give providers some tools which can be used as a starting point, in developing policies, procedures and processes to manage real and perceived conflicts of interest. This resource provides information:

- **Conflict of Interest – What is it, and why is it important?**
- **Why must NDIS providers manage conflict of interest?**
- **What is expected of NDIS providers?**
- **Some examples of conflict of interest.**

Conflict of Interest – What is it, and why is it important?

A conflict of interest arises when an organisation or person's interests compromise, influence or affect the way they provide services.

A conflict of interest can be real or perceived.

- Conflicts may be financial, business, or personal in nature. They may be financial and/or corporate interests.
- Conflicts can arise due to a relationship between the NDIS provider and other businesses or organisations, or due to cultural, religious, or social relationships.
- Participants need accurate information about their services and service providers, including any real or perceived conflicts of interest, so they are free to make decisions in their own best interest, without influence, incentive (benefit or reward) or pressure.
- In the NDIS context, conflicts of interest can arise when a worker or a NDIS provider is able to exploit their own professional or official capacity for personal or corporate benefit.

The NDIS Commission states:

“**Conflict of interest** can be **potential** or **real** and occurs when a **worker or a NDIS provider** is in a position to exploit their own professional or official capacity for **personal or corporate benefit**. Conflicts of interest could include conflicts of a **financial, business or personal** nature, including any financial and/or corporate interest or relationship the NDIS provider may have with other entities, including businesses and organisations, or of a personal nature, including but not limited to cultural, religious or social relationships.”

Why must NDIS providers manage conflict of interest?

- NDIS registered providers are legally required to proactively manage real and perceived conflicts of interest.
- Conflicts of interest present risks for participants, workers and organisations if not managed or documented appropriately.
- Conflicts of interest can compromise the ability of participants to make informed decisions and compromise services.
- Conflicts of interest can also impact on a person’s ability to exercise choice and control in relation to services.
- The NDIS Quality and Safeguards Commission can take action where there is an identified conflict of interest with a provider.

Risks for providers include non-compliance with legal requirements, action by the NDIS Commission, as well as increased complaints or reputational damage.

What is expected of NDIS providers?

The [NDIS Code of Conduct Guidance for Service Providers](#) applies to all providers, registered and unregistered. It places certain responsibilities on NDIS providers and workers, to ensure they act and maintain integrity in the way they conduct their business and work with NDIS participants and to declare and avoid any real or perceived conflicts of interest.

<p>Inform people with disability</p>	<p>By providing accurate information about their services and any conflicts of interest of the people who work for them.</p>
<p>Disclose conflicts of interest</p>	<p>This includes personal, financial or business conflicts or relationships that exist, that may impact or influence the delivery of supports and services to that person.</p>
<p>Not give, ask for, or accept any incentive or gift</p>	<p>This includes any referral arrangements with other providers, which could impact on the way services are provided.</p>

<p>Use robust recruitment processes</p>	<p>To uncover and manage any real or perceived conflicts of interest of potential employees. This could include reference checks, other pre-employment checks or asking people to declare any conflicts of interests.</p>
<p>Inform and support workers</p>	<p>To ensure workers at all levels, know they must declare conflicts of interest that may impact on the supports and services they deliver.</p>
<p>Develop internal policies and guidance</p>	<p>Which cover what workers should do in response to declaring, avoiding and managing conflicts of interest and accepting and giving gifts. Include templates that can be used quickly in an emergency or crisis.</p>
<p>Ensure workers understand policies and guidance</p>	<p>Including their responsibilities for informing the organisation and people with disability of any conflicts, and their expected behaviour in giving, asking for, or accepting incentives or gifts, from people with disability, their families, carers, or advocates.</p>
<p>Documenting and monitoring information about potential and actual conflicts</p>	<p>This includes corporate conflicts for the organisation, for example monitoring informal and formal relationships the organisation holds with other providers and businesses and the activities that the organisation participates in. Assessing the nature of these relationships over time to ensure any sharp practices or conflicts are not developing.</p>



Some examples of conflict of interest

Below are some possible examples of conflict of interest.

These are not the only examples but are designed to assist you to reflect and think about conflict of interest and how this can occur in supports and services.

Conflict can exist:

1. **Between a service provider's interests and the participant's preferences.** For example, if a participant's plan has multiple support items, all delivered by one provider this can impact a participant's choice and control unless processes are in place to support a person's decision making and ensure alternatives are consistently offered.
2. **For Support Coordinators whose role is to facilitate connection to providers.** Support Coordinators assist participants to implement their NDIS Plan and need to be careful to ensure that the providers used reflect the participant's choice, and best meet the needs of the participant. This conflict needs to be addressed through the provider's policy, then demonstrated in practice through policy implementation.
3. **For providers who deliver SDA and SIL.** These providers are in a position to have significant influence over participants and the supports they access. It is important that SDA and SIL providers support participants' right to access the support and services they choose without fear or compromise. Where there might be limitations, such as the availability of choices available, it is important that this information is provided, is monitored regularly and solutions are worked towards. Where one provider is providing both supports, have clear practices in place which support the participant to distinguish the difference between delivery of housing and support services, including having separate services agreements for each support.
4. **For Plan management providers whose role it is to assist participants to manage the financial aspects of their plan.** They must do this without seeking to further the interests of themselves, their organisation, or any third parties. They must have conflict of interest policies and processes in place. The NDIA encourages participants to use an independent plan manager who does not provide other NDIS funded supports to them.
5. **When a person works in multiple roles in one or more organisations.** If a person is employed as a support coordinator but also works casually as a peer support worker or psychosocial recovery worker, there is potential to unintentionally influence advice being provided when the person is working in their support coordination role and encourages the participant to receive a support service from them.

6. **When a participant - or their family member - also holds a professional role in an organisation** that provides services to the participant, such as a Board member of the organisation who may be discussing matters that impact on the way services are provided or a People and Culture worker who might have access to information about participants or workers.
7. **When an employee - or Board member - operates a business that supplies, or could supply, services to the organisation.** This could be a real or perceived conflict of interest between the person's role as a business supplier and their role in the organisation.
8. **When an organisation has formal or informal practices in place relating to referral to other services,** which encourage or influence participants' choices to refer to these providers and services.

References

- National Disability Insurance Service (2021) Provider legal requirements Accessed at [Am I ready to become a provider? Legal requirements and eligibility.](#)
- National Disability Insurance Scheme (2022) SDA Terms of Reference accessed at [Specialist Disability Accommodation Reference Group Terms of Reference 2021.](#)
- NDIS Quality and Safeguards Commission Code of Conduct accessed at [NDIS Code of Conduct Guidance for Service Providers March 2019.](#)
- National Disability Insurance Scheme (2021) Consultation Paper – Supporting you to make your own decisions accessed at [Support for Decision Making Consultation.](#)
- National Disability Insurance Scheme (2020) Improving outcomes for SIL participants accessed at [Improving outcomes for Supported Independent Living \(SIL\) participants: Provider and Sector consultation paper Sept 2020.](#)
- National Disability Insurance Scheme (2020) Guide to Plan Management accessed at [NDIS Plan Management.](#)
- [Specialist Disability Accommodation Reference Group Terms of Reference 2021](#)

Please note: This resource was reviewed in May 2023 by the NDS Quality and Safeguards Sector Readiness Project. The resource is general in nature and is provided as a guide only. NDS believes that the information contained in this publication is correct at the time of publishing, however, NDS reserves the right to vary any of this publication without further notice. The information provided in this publication should not be relied upon instead of other legal, medical, financial, or professional advice. Please always refer to online documents for the latest versions including the NDIS Practice Standards and advice to providers on the Code of Conduct.