

2.6 Conflicts of Interest

Purpose

The purpose of this policy is to assist officers in identifying conflicts of interest and managing those conflicts of interest.

What is a conflict of interest?

A conflict of interest is defined as a situation “...arising from conflict between the performance of public duty and private or personal interests.”¹

Conflicts of interest can occur in your everyday work. However, it is important to note that it is not always possible to avoid a conflict of interest and in itself, a conflict of interest is not necessarily wrong or unethical. What is important, however, is to appropriately identify, disclose and effectively manage any actual, perceived or potential conflict of interest situations.

Who is responsible for identifying and managing conflicts of interest?

Although the CEO and Executive Managers have a particularly important role in ensuring conflict of interest situations are managed appropriately, identifying a conflict of interest is an individual responsibility.

How can officers identify if a conflict of interest exists?

There is no one right way to identify every situation however, a good starting point is for officers to consider the 6Ps:

P ublic duty versus private interests	Do I have personal or private interests that may conflict, or be perceived to conflict with my public duty?
P otentialities	Could there be benefits for me now, or in the future, that could cast doubt on my objectivity?
P erception	How will my involvement in the decision/action be viewed by others? Perception is important.
P roportionality	Does my involvement in the decision appear fair and reasonable in all the circumstances?
P resence of mind	What are the consequences if I ignore a conflict of interest? What if my involvement was questioned publicly?
P romises	Have I made promises or commitments in relation to the matter? Do I stand to gain or lose from the proposed action/decision?

¹ *Conflict of Interest Guidelines*, the WA Integrity Coordinating Group (a group consisting of the Office of the Auditor General, the Commissioner for Public Sector Standards, the Corruption & Crime Commission and the Ombudsman of Western Australia).

The Conflict of Interest Assessment Guide may assist officers in determining whether there is an actual or perceived conflict of interest.

How can conflicts of interest be managed appropriately?

There are 6 main options for officers and supervisors to manage conflicts of interest. They are the 6 Rs:

Record/Register

Recording the disclosure of a conflict of interest in a register is an important first step however, this does not necessarily resolve the conflict. It may be necessary to assess the situation and determine whether one or more of the following strategies is also required.

Restrict

It may be appropriate to restrict your involvement in the matter, for example, refrain from taking part in debate about a specific issue, abstain from voting on decisions, and/or restrict access to information relating to the conflict of interest. If this situation occurs frequently, and an ongoing conflict of interest is likely, other options may need to be considered.

Recruit

If it is not practical to restrict your involvement, an independent third party may need to be engaged to participate in, oversee, or review the integrity of the decision-making process.

Remove

Removal from involvement in the matter altogether is the best option when ad hoc or recruitment strategies are not feasible, or appropriate.

Relinquish

Relinquishing the personal or private interests may be a valid strategy for ensuring there is no conflict with your public duty. This may be the relinquishment of shares, or membership of a club or association.

Resign

Resignation may be an option if the conflict of interest cannot be resolved in any other way, particularly where conflicting private interests cannot be relinquished.

Procedure for reporting a conflict of interest

1. Complete disclosure form. The officer should:
 - a. Describe the nature of the matter or issue that is the subject of the possible conflict of interest.
 - b. Describe the public duty in question (e.g. involvement in tender process).
 - c. Advise if the identified conflict of interest is actual, perceived or a potential conflict.
 - d. Advise if the type of conflict is a financial, partiality or role conflict.
 - e. Propose a strategy for resolving or managing the conflict situation.

2. Discuss with Manager and outline actions required.
3. Forward disclosure form to governance.
4. Conflict of interest to be recorded in a centralised Conflict of Interest Register which will be maintained by the Governance business unit.
5. Corporate Lawyer to be notified (if required).
6. Parties advised of review and actions to be taken.
7. Follow-ups to be conducted (if required).

Authorisation Details

Related Procedures	Conflict of Interest Assessment Guide Conflict of Interest Disclosure Form		
Authorised by:	Council		
Date:	27 March 2020	Item No.	10.1.6
Review/Amendment Date	26 June 2020	Item No	9.1.5
Next Review			
Responsible Directorate	Corporate Services		
Responsible Officer	Manager Governance, Risk and Procurement		
File No.			